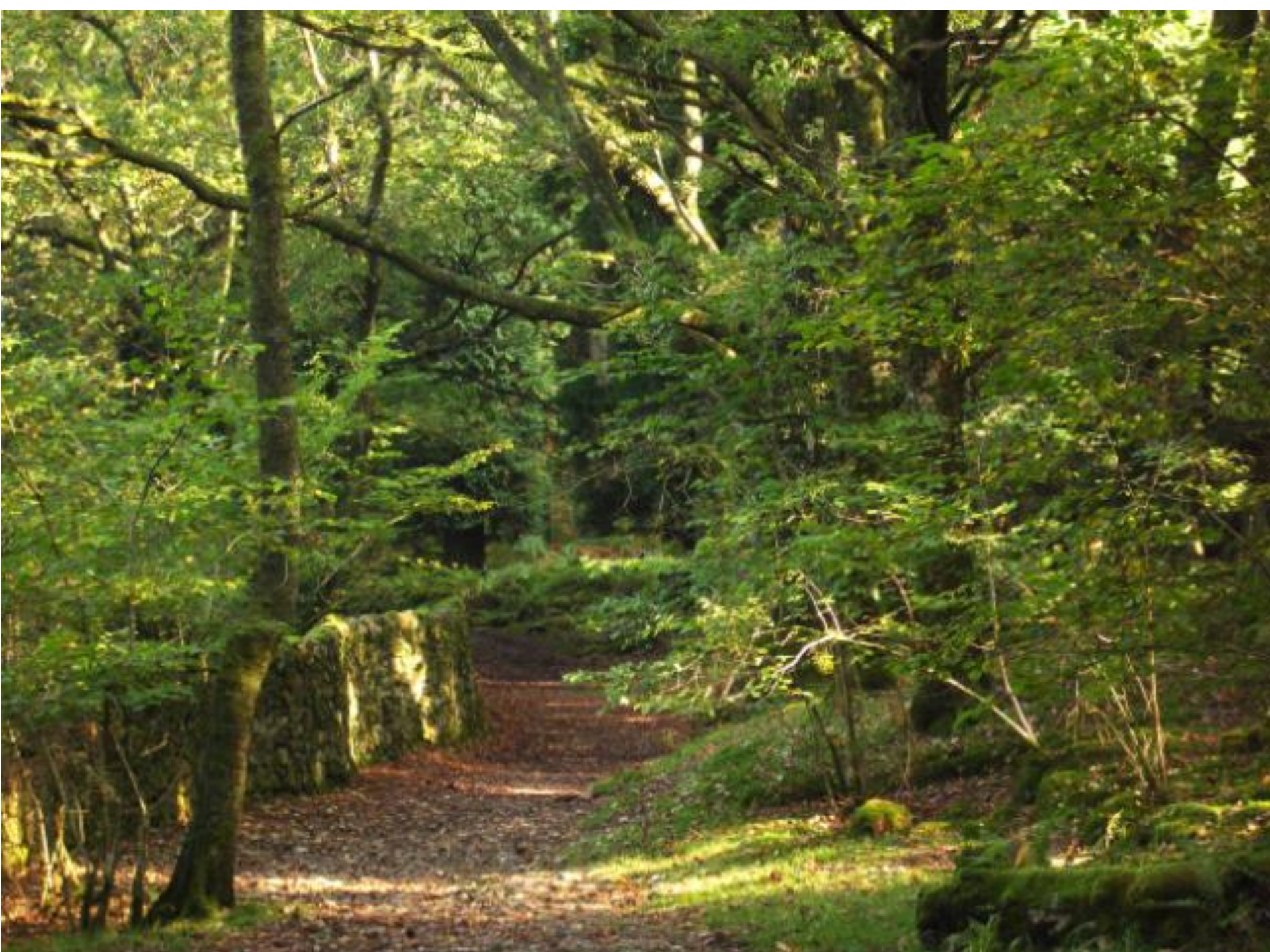




giving
nature
a home

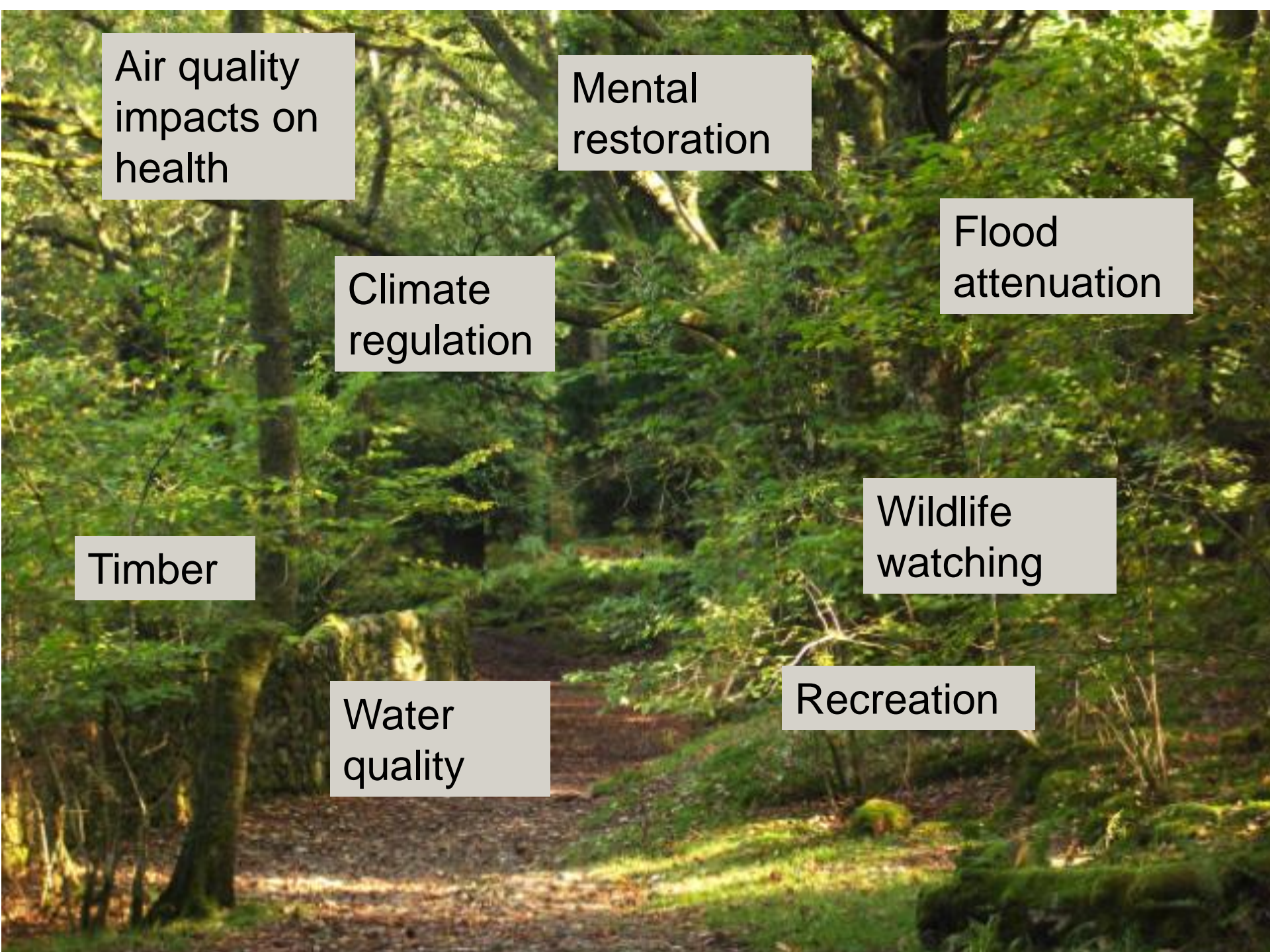
Accounting for nature – Developing a natural capital account for the RSPB estate in England

Dr Katharine Bolt



A photograph of a dense forest. A path made of gravel and fallen leaves leads through the trees. The trees are covered in moss, and the ground is also covered in moss. The lighting is soft and dappled, suggesting a shaded forest environment. The overall scene is lush and green.

Timber

A photograph of a dense, sun-dappled forest. The trees are mostly deciduous with vibrant green leaves. Sunlight filters through the canopy, creating a pattern of light and shadow on the forest floor. The ground is covered with fallen leaves and some moss. The overall atmosphere is peaceful and natural.

Air quality
impacts on
health

Mental
restoration

Climate
regulation

Flood
attenuation

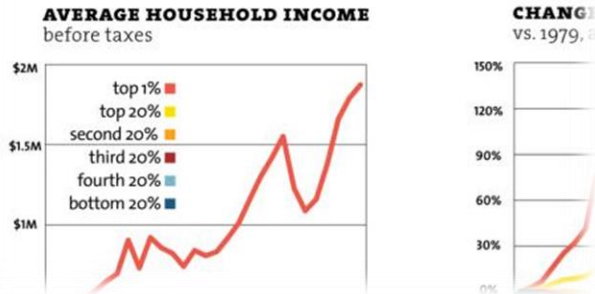
Timber

Wildlife
watching

Water
quality

Recreation

US Income Distribution, 1979-2014



Implementing a NC approach

- Respect the limits of economic valuation & ensure visibility of economic values that cannot be measured AND ethical considerations
- Judge success by improvements in state of asset itself, not solely changes in its values
- Requires a NC approach to be supported by SMART commitments & clear responsibilities



Commitment to biodiversity and other elements of Natural Capital

STOCKS

Natural capital

FLOWS

Ecosystem and abiotic services

VALUE

Benefits to business and to society

Asset Register:

What is the quantity, quality, and spatial configuration of the Natural Capital assets?

Physical flow account:

What ecosystem services does the asset provide?

Monetary accounts:

What is the value of the benefits provided by Natural Capital to the organisation and society?

Natural Capital balance sheet

Maintenance costs: The costs of maintaining the Natural Capital asset to meet the organisation's commitment to Natural Capital

NC responsibilities: Who is committed to what by when?

- NCC advice is that commitment should, at a minimum, be to maintain NC condition
- But, if a private company then little to enforce this beyond legal minimums
- 25 YEP commits to **enhance** with targets including:
 - Restore 75% of protected sites to favourable condition
 - Create 500k ha of priority habitat outside protected sites
 - Ensure key species populations are sustainable
 - Take action to recover threatened species and prevent extinctions
- Public bodies should use the 25 YEP goals and metrics as responsibilities at a minimum in CNCA
- Incentives and duties needed to scale up

Step 1: RSPB commitment to NC

- Ensure no RSPB-managed SSSI where the RSPB is identified as responsible for the cause of unfavourable condition
- Increase the area of priority habitat
- At a minimum to maintain and enhance breeding populations of priority bird species that the RSPB estate influences UK breeding population

Step 2: Report asset register

- Although ongoing monitoring, not always centrally recorded and identifies gaps
- The data shows that RSPB has met its commitments specified in step 1, with one outstanding action to maintain population trends of sandwich terns at Dungeness

Step 3: Estimate maintenance & remediation costs

- Estimate ongoing maintenance costs
- Additional expenditures required to achieve commitments stated in Step 1

Step 4: Prepare Physical Flow account

- The RSPB estate in England:
 - Sequesters 110,000 tonnes of CO₂e per year, including emissions from livestock and fuel use of machines and vehicles
 - Welcomes at least 1.7 million visitors a year
 - Supports 3,500 volunteers, who contribute to the maintenance of the reserve
 - Provides over 100,000 connection to nature experiences

2016/17 (PV £m)		Value to the organisation	Value to others	Total value	
		Private value	External value		
Assets					
The discounted sum of benefits provided by the asset in perpetuity	Baseline value (00/01)	①	(73)	681	608
	Cumulative gains/losses	②	–	170	170
	Additions/disposals	③	21	26	47
	Revaluations and adjustments	④	93	155	248
	Gross asset value		41	1,031	1,072
Liabilities					
The discounted sum of costs of maintaining the Natural Capital asset to the specified minimum condition in perpetuity	Legal maintenance obligations		–	–	–
	Other maintenance provisions		(448)	(80)	(528)
	Total net maintenance provisions		(448)	(80)	(528)
Total net Natural Capital Assets			(407)	951	544

Note: Following accounting convention, negative values are reported in parentheses

Next steps

- The NC approach presents huge opportunities to achieve the vision in the 25 YEP
- NC accounts could play a significant role
- But NC tools must respect limits of economic valuation and reflect important elements of nature that cannot be valued using non-market valuation
- Requires SMART commitments to NC assets and supporting policy framework of duties and incentives

katharine.bolt@rspb.org.uk

RSPB Natural Capital report: : <http://bit.ly/2A4bbl8>

CCI Biodiversity at the heart of Natural Capital:
<http://www.cambridgeconservation.org/collaboration/biodiversity-and-natural-capital>