

Accounting for Ecosystem Services

Issues to be placed in the research agenda of SEEA-EEA

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Content

■ The UN framework SEEA-EEA

Stocks and flows in ecosystem service accounting

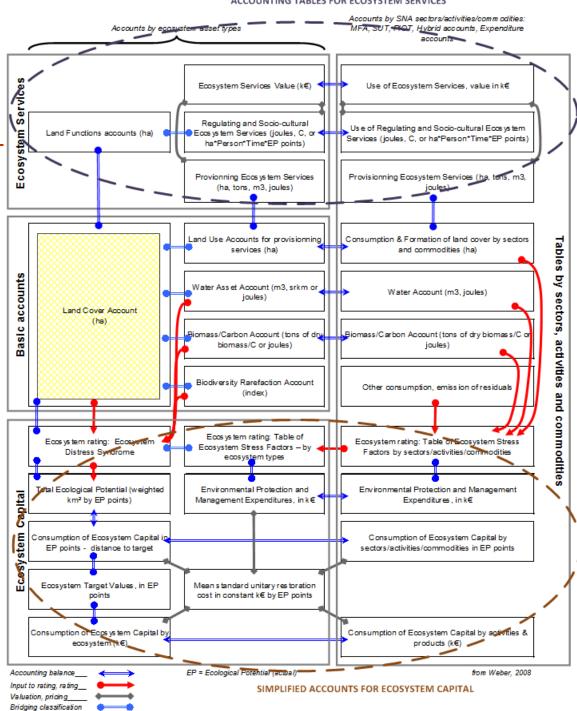
What is beyond the notion of ecosystem services

A proposal through the example of water purification



- Economic accounts and Environmental accounts
- Environmental accounts and Ecosystem accounts
- Ecosystem accounts: the European Environmental Agency proposal
- Ecosystem accounts: the London Group White Cover Handbook

ACCOUNTING TABLES FOR ECOSYSTEM SERVICES



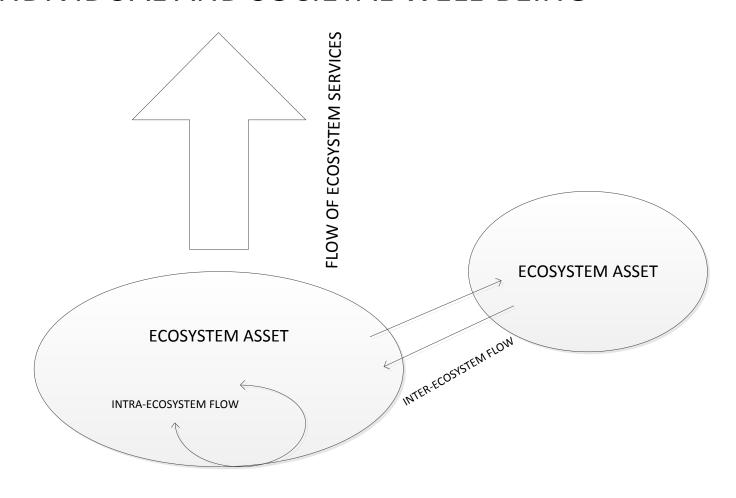


EEA's LEAC framework



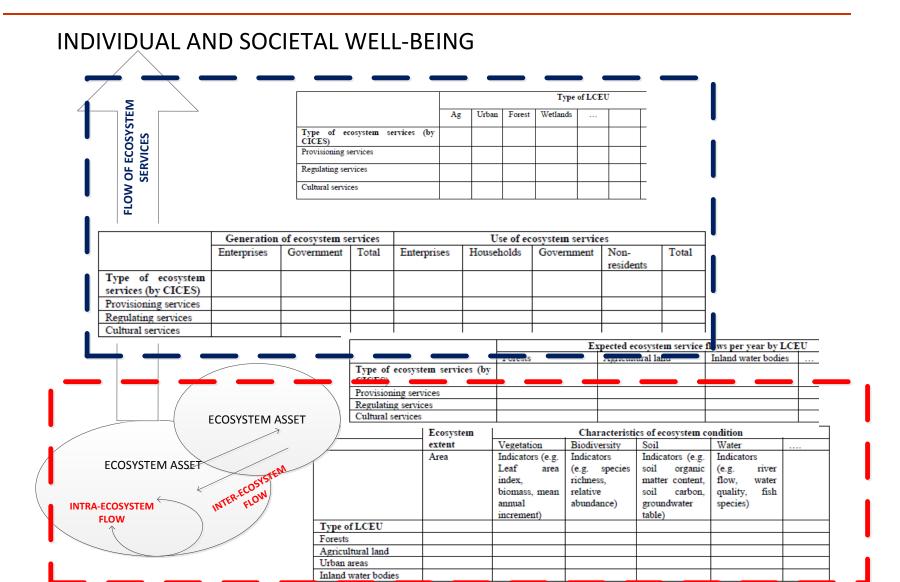
The UN framework SEEA-EEA: conceptual framework

INDIVIDUAL AND SOCIETAL WELL-BEING





UN-SEEA: conceptual framework and tables



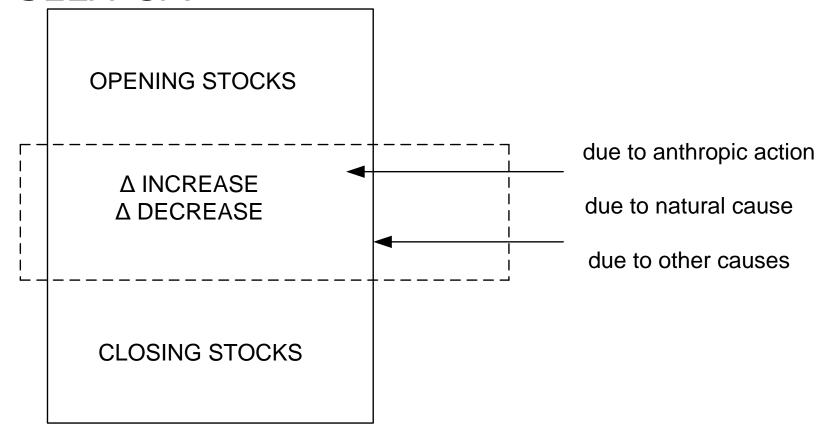
Stocks and flows in the SEEA-EEA

- Ecosystem accounting is funded on the relationship between stocks and flows
- Stocks: spatial areas comprising an ecosystem asset
- □ Flows: within and between ecosystem assets that reflect ecosystem process (intra and inter ecosystem services)
- Flows: people take advantage of what is generated by ecosystem (ecosystem services)



Notion of change in ecosystem asset

Following the logic of the asset accounts in SEEA-CF:





SEEA-EEA Goal

- Integrating and organizing complex biophysical data
- Measuring ecosystem services
- Tracking changes in ecosystem
- Linking those changes to economic activities

Data:

Raw data VS derived data Data is different from assessment

Level of analysis: the purpose differs according to the adminitrative/political levels

Raise awareness \rightarrow global level

Set strategic direction → macro-regional and national level

From the strategy to the action \rightarrow sub-national-local level



Measurement

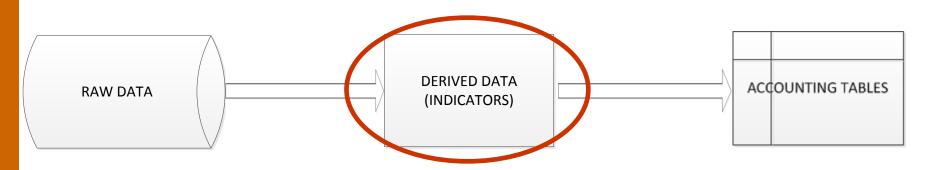
THE MEASUREMENT OF THE CHANGE TAKES PLACE AT THIS STAGE OF THE PROCESS





Measurement

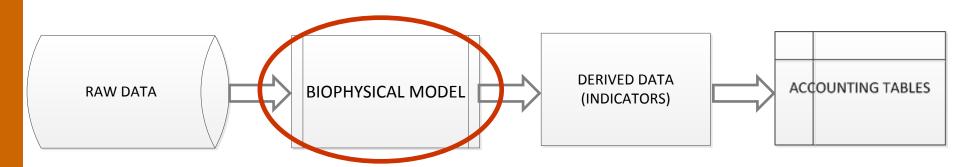
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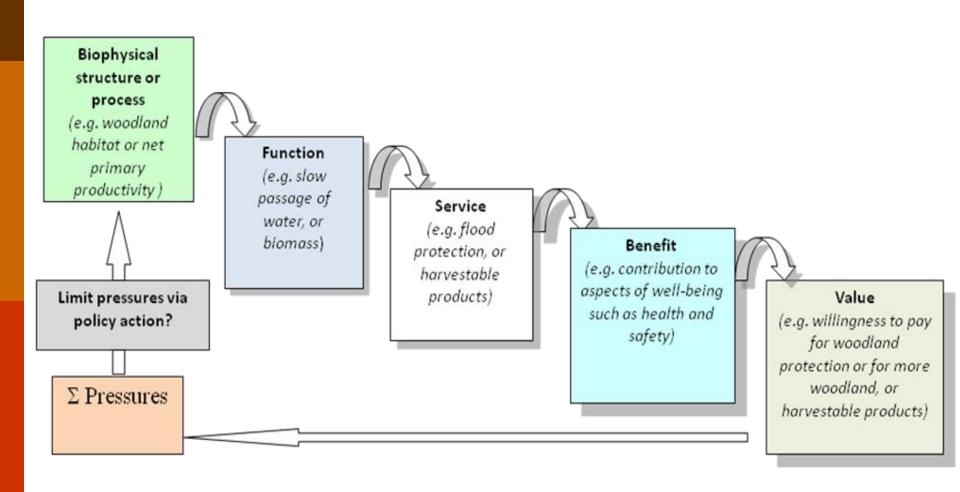
Measurement

THE MEASUREMENT OF THE CHANGE TAKES PLACE AT THIS STAGE OF THE PROCESS



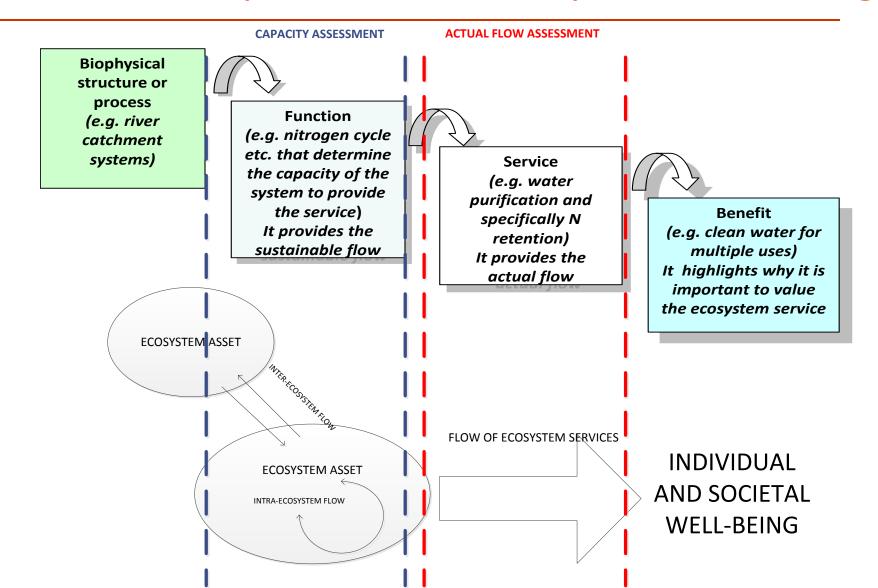


What is beyond the notion of ecosystem service





Notion of Ecosystem Services beyond Accounting



The crucial node between function and services: the notion of capacity



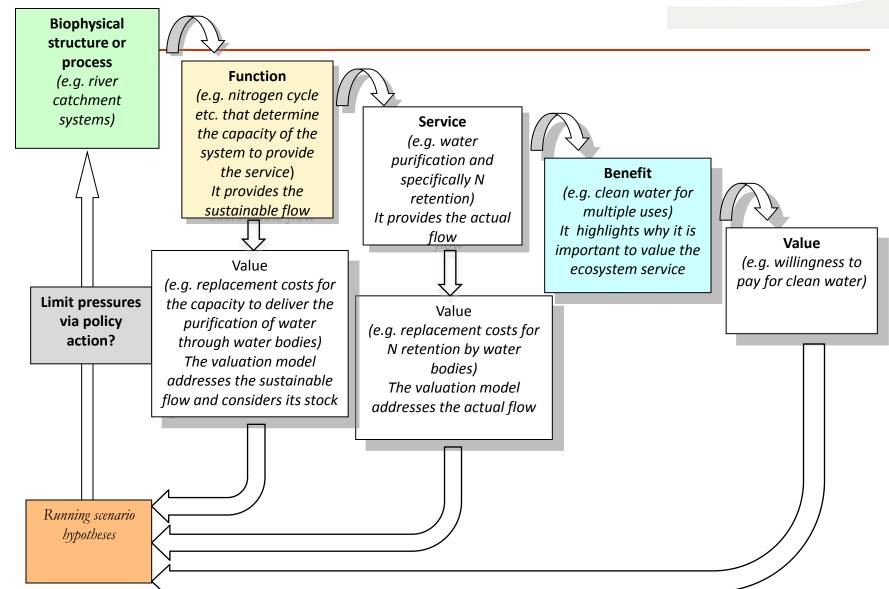
Does the actual flow represent the Demand?

Does the Sustainable flow represent the Capacity?

■ Is the capacity a stock or a flow?

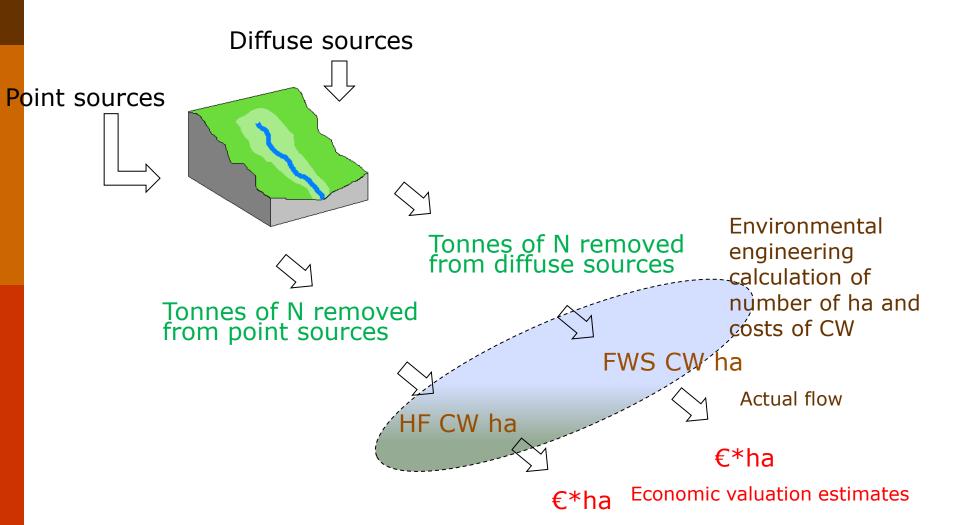
Water Purification/0





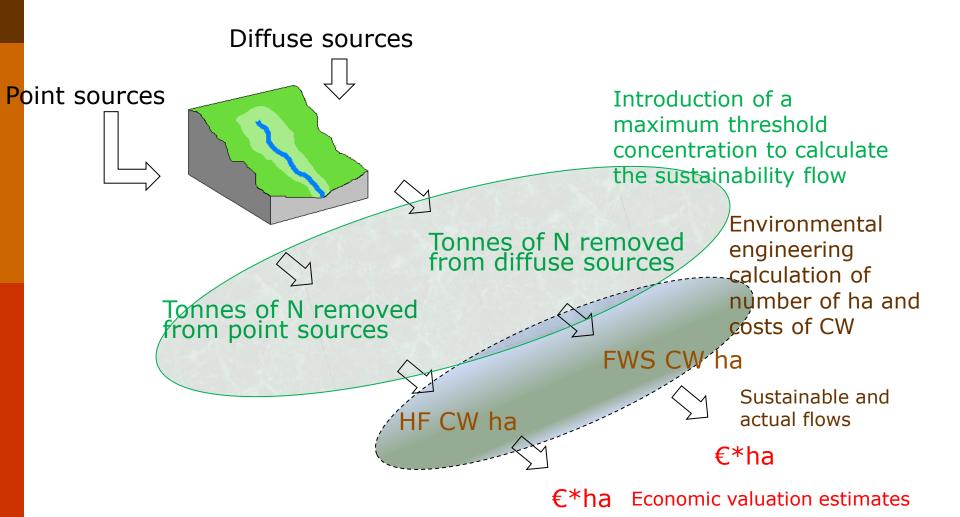
Water purification example/1





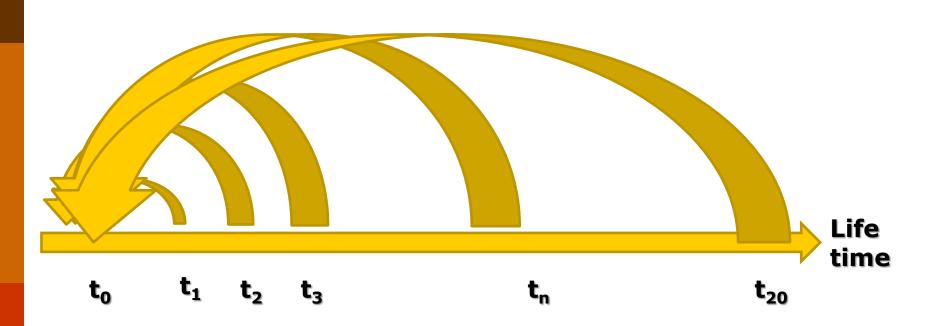
Water purification example/2





Water purification example/3





$$Y = \frac{a * (1+i)^{N-1}}{i * (1+i)^{N}}$$

a=yearly amount of building costs i= discount rate (real interest rate; in our application set at 3%) N=life expectancy of the CW (we assume 20 years)

The big questions



- Is it correct to consider capacity as a stock?
- Considering that the quantification of the stock and flows should take place within the biophysical assessment:

Is there an analogous way in ecology to move from the annual sustainable flow of the service to the capacity as a stock to generate that specific flow?

What should be part of the research agenda in ecosystem accounting

- Notion of stock and flow in ecosystem asset <u>and</u> in ecosystem services to be further explored
- Linkages between the notion of capacity and the notion of 'stock' for ecosystem services to be studied
- Difference between ecosystem assets and natural resources to be clarified
- Meaning of raw data and derived data in ecosystem accounting to be investigated
- Meaning of indicators and outcomes of biophysical models in ecosystem accounting to be investigated



Thank you for your attention!

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