Mainstreaming Natural Capital for Inclusive Green Economy: Lessons and Opportunities

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28 October 2015
Brussels, Belgium
Global Initiatives on Environmental Governance

1972
BRUNTLAND REPORT
"Our Common Future"

1987

1992
Rio Earth Summit 1992
Local, national, and international action

2002

2005-2011

2012

2015...

Report of the World Commission on Environment and Development

1992

2002

2005-2011

2012

THE GLOBAL GOALS
For Sustainable Development

UNEP
Journey through Mainstreaming BD
Project for Ecosystem Services (Proecoserv)

**TRINIDAD AND TOBAGO**
- Nariva Swamp
- Northern Range
- Buccoo Reef

**CHILE**
- San Pedro Atacama, Salt flat closed watershed in the Andes

**VIETNAM**
- Ca Mau Province, mangrove forests

**S.AFRICA AND LESOTHO**
- Eden District
- Olifants Grasslands Cathment
South Africa

In Eden district, ecosystem restoration will create about 200,000 days of work or 100 full time jobs benefitting 900 people mostly in the rural area.

Policy Uptake
- Private and public partnerships and networks, including the insurance sector
- Establishment of Freshwater Ecosystem Network
- National Water Resource Strategy
- National Development Planning
- Disaster Management Amendment Bill

400,000 jobs can be created in South Africa from ecosystem restoration activities.
Viet Nam

International
Vietnam is now a core implementing country of the WAVES global partnership, a partner country of the UN-REDD Programme and listed in the Inclusive Wealth Report 2014.

National
- Ministry of Planning and Investment
- Ministry of Finance
- Ministry of Agriculture and Rural Development
- Ministry of Natural Resources and Environment

Provincial
- Department of Agriculture and Rural Development
- Department of Planning and Investment
- Ca Mau National Park

Policy Uptake
- National Green Growth Strategy to 2020
- National Strategy for Environmental Protection to 2020
- Party Resolution no. 24NQ/TW, on climate change, natural resources management and environmental protection
- Land use planning for Ca Mau including Ca Mau National Park
Change the Compass: Rely on Inclusive Wealth not Income
Consuming Beyond Their Means

When TFP, climate change and increases in oil prices are factored in, only 58 of 140 countries experienced a positive growth in Wealth.

Key drivers: Natural capital depletion; Population growth, and negative growth rates in TFP.
MULTIPLE BENEFITS OF REDD+ IN THE LANDSCAPE

Currently, an area the size of 25 football fields is being destroyed every 60 seconds. REDD+ will ensure that forests and trees are more highly valued in decision-making.

REDD+ is an effort to create a financial value for the carbon stored in forests, offering incentives for developing countries to reduce emissions from forested lands and invest in low-carbon pathways to sustainable development. REDD+ goes beyond addressing deforestation and forest degradation, aiming to make forest management and land-use more sustainable within the landscape, and promote conservation and restoration of forests.

Various factors affect the extent to which these benefits are delivered: the type, location, and condition of the forest involved, which REDD+ activity is undertaken, how it is implemented, and the dependence of the local population on forest resources. REDD+ can also lead to direct social benefits, such as jobs, livelihoods, land tenure clarification, carbon payments, enhanced participation in decision-making and improved governance.

Biodiversity
- Forests are home to 87% of all life on Earth

Pharmaceuticals
- Medicines contributed to the development of at least 25% of all pharmaceuticals

Non-timber products
- Forests provide 4 million jobs worldwide annually

Trade
- Trade in timber and other forest products is estimated at $73 billion per year

Forest restoration
- Within 25 years, tree planting could restore 25% of the world’s forests

Tourism
- International tourism yields $90 billion per year

Fisheries
- One billion people depend on marine resources

Electricity production
- Up to 70% of operational costs of hydropower plants come from sediment removal

Indigenous peoples
- 60 million indigenous people depend on forests

Energy consumption
- 2 billion people use wood as their main source of energy

Fishing
- 1.6 billion people rely on forests for food

Pollination
- Pollination is worth $577 billion annually

Food security
- Forest foods provide 30% of protein intake

Wetlands
- Wetlands yield $2.8 billion in ecosystem services per year

Mangrove species
- Mangroves provide 100% of shrimp and prawn in South East Asian countries

Big cities
- 33 of the world’s 50 largest cities are within 100 km of forest

Flooding
- Forests can help regulate the amount of water entering rivers and reduce the risk of damage to infrastructure

UN-REDD Programme

[Image of a map showing various benefits of REDD+]
Mainstreaming Ecosystem Services
sectoral and macroeconomic policies in Morocco and Kazakhstan

1. The inclusion of relevant ecosystem services aspects into the decisions of institutions that drive development policy, rules, plans, investment.

2. By considering what ecosystem and biodiversity means for the economy (the economy-wide effects over time of surface and ground water).

3. The Computable General Equilibrium Model with the dynamics of the hydrological properties.

4. Evaluating current policies and identifying potential improvements
Projects contribute mainly to two of the strategic objectives of biodiversity focal area strategy:

1) Mainstreaming biodiversity conservation into the productive landscape/seascape and production sectors; $202,210,254

2) Safeguarding Biodiversity $105,936,448
Geographic Coverage
Almost 95% of the Biodiversity Hotspots in Developing Countries
How UNEP Supports Efforts

1. Do more with less
2. Do it better
3. Do new things

Using available information for better decision-making
How UNEP Supports Efforts

- Valuation & Accounting of Natural Capital for Green Economy (VANTAGE)
- The Economics of Ecosystems and Biodiversity (TEEB)
- UNEP’s GEF Portfolio
- Green Economy Initiative
- UNDP-UNEP Poverty Environment Initiative
- UNEP Finance Initiative
- UNEP Inquiry into the Design of a Sustainable Financial System
- Natural Capital Declaration
Partnership Opportunities under GEF6

- National Strengths/Needs
- Partnership Opportunities
- UNEP's Strategic Priorities & Compar. Advantage

- GEF6 Objectives
- Partnership Opportunities
- UNEP's Strategic Priorities & Compar. Advantage
GEF 6 provides support for

- Holistic approaches,
- Management solutions,
- Fiscal/financial solutions,
- Spatial solutions,
- Mainstreaming,
- Communications
- Support for law enforcement,
- End-user (demand) management,
- Implementation of MEAs
- Monitoring and Verification,
- Technical and technological solutions,
- Capacity building,
Mainstreaming Natural Capital

BD: Integ of BD and ES into Development and Finance Planning (BD-4, Program 10)
LD: Mainstreaming SLM in Development
SFM: Sustainable Financing Mech for SFM (Program C)

Building knowledge and integrating ecosystems in decision-making
The Economics of Ecosystems and Biodiversity (TEEB)
Valuation and Accounting for ES for Green Economy (VANTAGE)
UNEP’s Green Economy Initiative

Natural Capital Accounting
Development of a Framework on Mainstreaming Natural Capital into Sustainable Development
Enhancing sustainable financing of natural capital management
## GEFS 6 Multi-themed Opportunities for Mainstreaming

### Biodiversity
- **Program 10:** Integration of Biodiversity and Ecosystem Services into Development and Finance Planning (linking with development policy and finance planning)

### Climate Change
- **Program 4:** Promote conservation and enhancement of carbon stocks in forest, and other land use, and support climate smart agriculture (pilot carbon accounting approaches that inform and support national inventory systems and REDD strategies)

### International Waters
- **Program 1:** Foster Cooperation for Sustainable Use of Transboundary Water Systems and Economic Growth (economic valuation of use and non-use values of ecosystems)

### Land Degradation
- **Program 5:** Mainstreaming SLM in Development (Improving valuation of natural resource assets and ecosystem)

### Sustainable Forest Management
- **SFM-1:** Maintained Forest Resources: Reduce the pressures on high conservation value forests by addressing the drivers of deforestation (tools and methodologies for valuing natural resources)
Building Development and Finance Planning Frameworks for Effective Management of Ecosystems and Biodiversity

• The overall goal of the project is to create enabling conditions for developing countries to link ecosystem service valuation, accounting, and economic analysis with development policy and financial planning.

• Outcome 1. Decision makers have access to strengthened capacity and advisory services to link economic analysis of ecosystem services with development and financial planning.

• Outcome 2. Improved understanding in pilot countries of the potential for the benefits of natural capital responsive budget planning.

• Outcome 3. Globally increased knowledge on linking ecosystem service valuation, accounting, and economic analysis with development policy and financial planning.
GLOBE Legislators Delivering Sustainable Forests and Natural Capital Legislative Action

BD: P9 Managing the Human-Biodiversity Interface
CCM: P4 Promote conservation and enhancement of carbon stocks in forest,
SFM: Reduce the pressures on high conservation value forests by addressing the drivers of deforestation

Capacity building in developing and implementing environmental laws;
Established cross-party groups in various countries
Emphasis on empowering legislators by organizing national meetings to brief parliamentarians;
Cross-party political traction on forests and natural capital;

- Increase capacity of a core group of legislators
- Strengthening National Legislation to REDD+ & Natural Capital Governance on a Demand-driven Basis
- Use of the GLOBE network as a privileged channel for the fast dissemination and replication of best legislative practice.
Future Actions

• Addressing and supporting legal side of SDGs;
• Development of legal and policy options
  – Linking NCA with NC management and environmental policies;
  – Linking NCA with economy;
• Connecting scattered progress.
Thank you