



## Report of the Ad Hoc Committee on Economic Valuation

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### Background

1. During the Tokyo General Meeting in April 2007, ICRI members, “Reiterated the need for a central area on the ICRI Forum to share [economic valuation] information and invited interested members to contribute information, case studies, relevant experts and approaches/methods relating to economic valuation activities.”
2. During the January 2008 General Meeting, a break-out session was held on economic valuation of coral reef ecosystems during which ICRI members had the opportunity to hear from a number of experts in the field of economic valuation. At that meeting, ICRI members decided to form an Ad Hoc Committee on Economic Valuation to take forward the work on this matter where ICRI could best provide value.
3. At the July 2008 general meeting, The Ad Hoc Committee was extended through the next two ICRI General Meetings under the chairmanship of the ICRI Secretariat and the World Resources Institute (WRI) and will continue to include but not be limited to the following ICRI Members: Australia (Great Barrier Reef Marine Protected Authority), Colombia, Conservation International, CRISP, IUCN, NOAA and UNEP-WCMC.
4. At the January 2010 GM, the Ad Hoc Committee was extended for one more year. (So, technically, it has expired.)
5. At the January 2010 GM, the Ad Hoc Committee reported on a proposal developed by with Linwood Pendleton (now with Duke University and NOAA), which was shared with the full committee and was posted on ICRI Forum. The proposal includes two distinct tasks– 1) Develop and maintain a searchable database of values and data on human uses of marine ecosystem services, and 2) Develop and maintain a community of practice for human uses (especially economic values) of marine ecosystems. During 2010, the proposal received funding from US NOAA (US\$15,000), CRISP (US\$2,000), The Ocean Foundation (US\$3,000) and UNEP-World Commission Monitoring Centre (US\$10,000). Support was sufficient for the (now called) “*Marine Ecosystem Services Partnership*” (MESP) to a) develop a searchable database, and 2) convene organizational partners. Clare Fieseler of MESP reported on database development at the November GM in Samoa. Progress since that meeting is reported below.

### Current Activity / Progress to note

6. **Economic Valuation Committee.** Since the last GM, the Economic Valuation Committee has not convened or even had a conference call. So, one could say the Economic Valuation Committee is inactive / non-existent. That said, there have been important developments which are relevant to ICRI (and have often been supported by ICRI), which are worth reporting on. As such, this serves as a narrowly-focused, partial report on activities related to economic valuation which are relevant to ICRI.

7. **Marine Ecosystem Services Partnership.** The Marine Ecosystem Services Partnership (MESP) launched its website (<http://marineecosystems-services.org>) in May 2011 at the International Marine Conservation Congress (IMCC) in Victoria, British Columbia. The site contains a database of values on human uses of marine ecosystem services, searchable via an interactive mapping tool. The MESP database is currently composed of information from several databases (including NOAA, WRI, UNEP-WCMC, Forest Trends MARES, and ESVD) and includes over 2000 global ecosystem services valuations. In addition to the database, the MESP has created a community of practice for human uses of marine ecosystems, using the site EcosystemCommons.org as a place to meet and interact with other professionals. The first meeting of MESP partners was held in February 2011. Dr. Linwood Pendleton (Director of Ocean and Coastal Policy at the Nicholas Institute of Environmental Policy Solutions, Duke University) led the MESP's first webinar (hosted on EBM Tools Network, <http://www.ebmtools.org/marine-ecosystem-services-database.html>) in September 2011. Dr. Pendleton also represented the MESP at the ESP meeting in Wageningen (October 2011) where he presented a talk on the MESP and participated in the ESP database working group. He will be on the ESP conference organizing committee for the 2012 ESP conference and is working closely with Dolf de Groot and Sander vander Ploeg to help organize the marine ecosystem community that is working with ESP.

Now that the database is up and running, the MESP is in position to reach out and help partners in the ecosystem services field. Over the next year, the MESP will be working to expand its community of practice into the South Pacific. Currently, original pdfs of many of the reports cited in the MESP database are being collected with the hope that they will eventually be available to anyone who accesses the database. The capability to search the database by keyword (allowing for author or subject searches) will be integrated into the next update of the MESP site. An interface is also being developed that will allow visitors to upload studies directly through the site to be processed and added to the database by the MESP team. Another current project of the MESP is to integrate more fully with the community of practice site on Ecosystem Commons so users of MESP data can discuss issues on site – without having to leave the site to access another forum or use email. Since its initial launch, the MESP site has been constantly updated with the latest ecosystem service related news, resources, and events.

8. **Global Social Vulnerability Analysis.** During 2010, the U.S. Department of State / ICRI provided US\$55,000 for support for the Social Vulnerability component of the Reefs at Risk Revisited analysis, which was implemented by the World Fish Center and WRI. The global analysis assesses human dependence upon reefs and the potential of reef-dependent communities to cope with or respond to the impacts of reef loss. This analysis highlights where the loss or degradation of reefs is likely to have the most severe social and economic consequences for coastal communities (e.g., villages that depend on reefs for food or protection from storm surges). This analysis was released in the *Reefs at Risk Revisited* report on February 23, 2011. The chapter also included a short summary on economic valuation of coral reefs and examples of the economic contribution of reefs through fisheries, tourism and shoreline protection services. (The report is included as a PDF on the *Reefs at Risk Revisited Data and Resources DVD* which is available at the ICRI GM in Reunion.)
9. **Economic Valuation of Jamaica's coral reefs.** WRI released its fifth economic valuation of coral reefs in the Caribbean under the *Coastal Capital* project series. Beginning in 2005, WRI and partners have implemented coral reef valuations in Tobago, St. Lucia, Belize, and the Dominican Republic. In June, WRI, with the Nature Conservancy and the University of the West Indies released a valuation of Jamaica's coral reefs. This evaluated coral reef associated fisheries, the role of healthy reefs in protecting beaches (and associated tourism revenue) and their role in reducing flooding along the shoreline. (Project descriptions and published results are available from <http://www.wri.org/project/valuation-caribbean-reefs>.)
10. **Standardized Framework for coastal Ecosystem Valuation.** Building upon WRI's experience in the *Coastal Capital* series, as well as the experience of our network of partners previous and ongoing coral reef valuation efforts, we are facilitating a discussion about the utility of the development of a more standardized approach to coastal ecosystem valuation. Currently, a wide

variety of methods are used to conduct valuation of coastal ecosystems. The sheer variety of coral reef economic valuation methods can be confusing, and can yield results which are not comparable or easily understood. We are developing a partnership to explore what would be efficient and useful to address this problem. The idea is to develop a more standardized, yet adaptable, framework for coastal valuation, in order to produce valuation results that are most useful to decision-makers, conservation advocates and other stakeholders.

The plan is to work with regional and global experts to draw out lessons learned and best practices from previous coral reef valuations. The partnership will then identify key success factors for policy influence, and address outstanding issues in coral reef valuation including: selection of valuation methodology and geographical scale, identification of potential users and policy applications of economic valuations, and effective and efficient data-collection methods. A concept note has been developed on this proposed activity. We believe these results will be useful to the ICRI community. Current partners in this effort include: The Marine Ecosystem Services Partnership and the Nicholas Institute of Duke University, the Conservation Strategy Fund, MARES Program of Forest Trends, The Nature Conservancy, The University of North Carolina Wilmington, and the University of the West Indies. We are happy to include other partners.

### **Action Requested**

11. Please provide feedback to WRI on the concept of a standardized framework to guide the economic valuation of coastal ecosystems. Would this be valuable to ICRI? Are any other groups interested in learning more or joining the partnership?