



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. Taking forward this direction from ICRI Members the Mexico-U.S. Secretariat determined there was further value in returning to this issue at the January 2008 General Meeting.
3. 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. Following the break-out session the Moderator produced a Moderator's Summary highlighting the main points raised during discussion, including types of ecosystem services provided by coral reefs, economic valuation techniques, uses for economic valuation information, gaps for further consideration, and potential follow-up by ICRI and its Members.
4. In light of the outcomes of the break-out session, 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. See Annex 1 attached to this report to view the Terms of Reference of the Committee.

Current Activity

5. In February 2008, WRI sent a short questionnaire to Ad Hoc Committee members, other ICRI partners, and several other experts on coral reef valuation. The effort focused on identifying the most useful background materials and references on economic valuation, with an emphasis on coral reefs. Information was gathered on books, papers and websites that provide background on conducting an economic valuation; economic valuation methodologies and training materials; databases that provide summaries of ecosystem valuations (for coral reefs as well as other ecosystems); and references for economic valuation applications. In addition, the questionnaire requested examples of economic valuation applications that have resulted in tangible outcomes.
6. The references and materials compiled through this survey have been edited, reviewed and organised. This information is now available through the ICRI FOURUM at <http://www.icriforum.org/ecovalCR.html> and on WRI's web site at www.wri.org/project/valuation-caribbean-reefs. WRI's site also includes a coral reef valuation methodology and new Tools for economic valuation of coral reefs.
7. The Ad Hoc Committee has been working closely with the Coastal Ocean Value Center's Coral Reef Economics Community of Practice (Coral CoP) group to provide an on-line forum, information and references to support ICRI members interested in Economic

Valuation of Coral Reefs. This web location, communities.coastalvalues.org/coralreef/, offers many of the references identified in the WRI survey, additional background materials, and is a forum allowing researchers to connect with each other and seek guidance on implementation of economic valuations.

8. The Coral Reef Economics Community of Practice (Coral CoP), Conservation International, US NOAA, and WRI have been collaborating on a compilation of findings and summaries from coral reef valuation studies. A short summary of findings is planned for October. A more extensive compilation is possible. (See actions requested below.)
9. The questionnaire implemented by WRI identified the essential fields to be included in a database summarizing economic valuation literature, if one is to be developed. (See Annex 2 attached to this report.) Development of such a database would require significant commitment of resources.

Action Requested

10. The Committee wishes to compile additional references for economic valuation studies. If there are other references you would like to see in the compilation, please send the reference to Sharon Khan at info@coastalvalues.org.
11. The Coral Reef Economics Community of Practice (Coral CoP) web site, communities.coastalvalues.org/coralreef/ provides useful resources for ICRI members. With financial support, Coral CoP could undertake additional activities in this area. Some options include:
 - a. development and maintenance of a searchable database providing summaries of economic valuation literature;
 - b. provision of additional literature / references on economic valuation within this user community (including copyrighted journals with permission of publishers.)
 - c. hosting of webinars (web-based seminars) on economic valuation of coral reefs
 - d. expert facilitation for timely discussions on the state of the art in coral reef economic research and applications
12. Discussion on whether ICRI needs an Ad Hoc Committee on Economic Valuation, and what the future objectives of the committee should be.

ANNEX 1

ICRI Ad Hoc Committee on Economic Valuation of Coral Reef Ecosystems

Terms of Reference

- The Ad Hoc Committee will be co-chaired by the Mexico-U.S. Secretariat and the World Resources Institute;
- The Ad Hoc Committee will include but not be limited to the following ICRI Members: Australia (Great Barrier Reef Marine Park Authority), IUCN, Government of Mexico, UNEP-WCMC, CRISP, Conservation International, NOAA;
- The Committee will compile an inventory of key existing databases, tool kits, initiatives and other information resources related to:
 - Economic valuation methodologies, manuals and other guidance documents
 - Examples of applications of economic valuation to coral reef ecosystems
 - Examples/case studies of where economic valuation information has led to changes in public policies and private sector actions, including key examples from other natural resource sectors
- Information contained in the inventory should be accessible by types of economic instruments (e.g., user fees), types of decisions involved (e.g., cruise ship quotas) and other categories as appropriate;
- At the ICRI General Meeting in July the Co-Chairs of the Ad Hoc Committee will report progress on compiling the inventory, including highlighting challenges, needs and next steps, and make recommendations for the continued work of the Committee.

ANNEX 2

Potential fields in a database summarizing economic valuation literature with an emphasis on coral reefs:

- a. **Citation**
- b. Year of study (date of valuation – not date of publication)
- c. Number of surveys (if relevant)
- d. **Ecosystem valued (i.e. coral reefs, mangroves, forests, etc)**
- e. Total ecosystem valuation or marginal or average valuation?
- f. **Geographic area**
- g. **Goods and services evaluated**
- h. Method(s) used
- i. Area (km²) covered
- j. Type of value(s) estimated (described by category, such as direct use value, indirect use value, non-use value)
- k. Management issue/research question being addressed
- l. Summary of results
- m. Link (provide a link, if the study is available on-line.)

Fields a, d, f, and g comprise the simplest summary for a reference catalogue.