

# eftec

Economics for the  
Environment  
Consultancy

UKNEA follow-on,  
WP1, Cambridge  
4-5 February 2013

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## WP1: Natural Capital Asset Check



## WP1 Aims

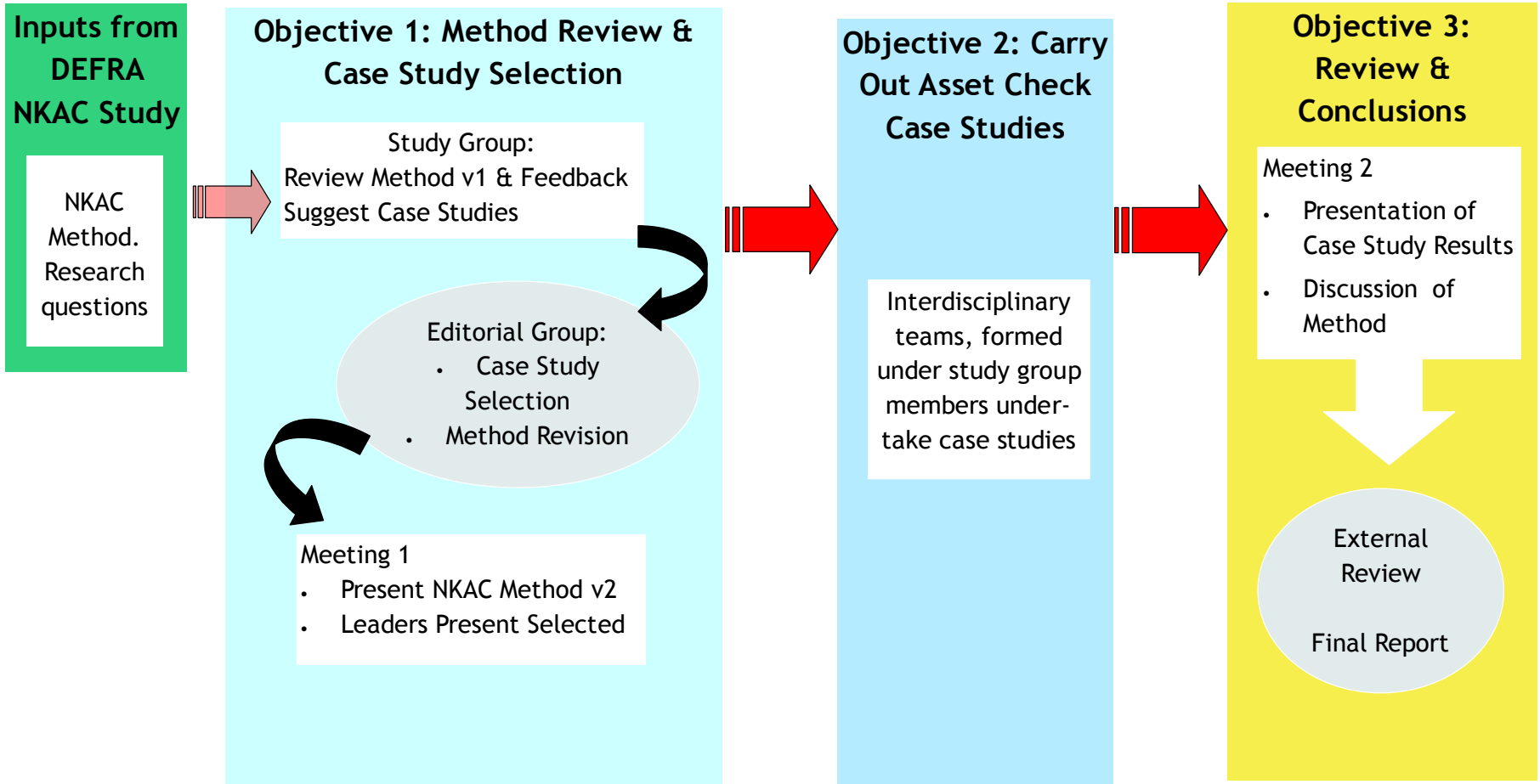
*The state of our natural capital assets are not routinely assessed for their ability to support critical future ecosystem services. However, contemporary techniques make such analysis possible, and can be applied in a number of examples which provide information that is improves decision-making.*

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*The state of our natural capital assets are not routinely assessed for their ability to support critical future ecosystem services. However, contemporary techniques make such analysis possible, and can be applied in a number of examples which provide information that is improves decision-making.*

## WP1 Aims

- Review and develop the conceptual framework developed in the Defra scoping study
- Review and develop further information on (i) data inputs and (ii) relationships between natural capital assets.
- Conduct further case studies and testing of this approach
- Links to modified national income accounts (incorporating ecosystem services value).



**Objective 0: Management & Coordination of team**

# Timeline & Progress

Phase	What	When Planned		Status
Defra Study	Discussion with Natural Capital Committee	2012	18 <sup>th</sup> July	DONE
	NKAC Scoping Study Outputs		Sept	COMPLETED Nov
Obj 1	Team teleconference, start to review method		2 <sup>nd</sup> Oct	DONE
	Case study proposition and selection		Nov	COMPLETED Dec
	Method revision		Dec	COMPLETED Jan '13
	Meeting 1 and report	2013	15 <sup>th</sup> Jan	COMPLETED 22 <sup>nd</sup> Jan
Obj 2	Case studies		Feb – Apr	STARTING
Obj 3	Meeting 2		23 <sup>rd</sup> Apr	Tbc
	Method revision		May	Tbc
	Reporting		Jun	Tbc
	External review		July – Aug	Tbc
	Final report		Sept – Oct	Tbc

## Asset Check Concept

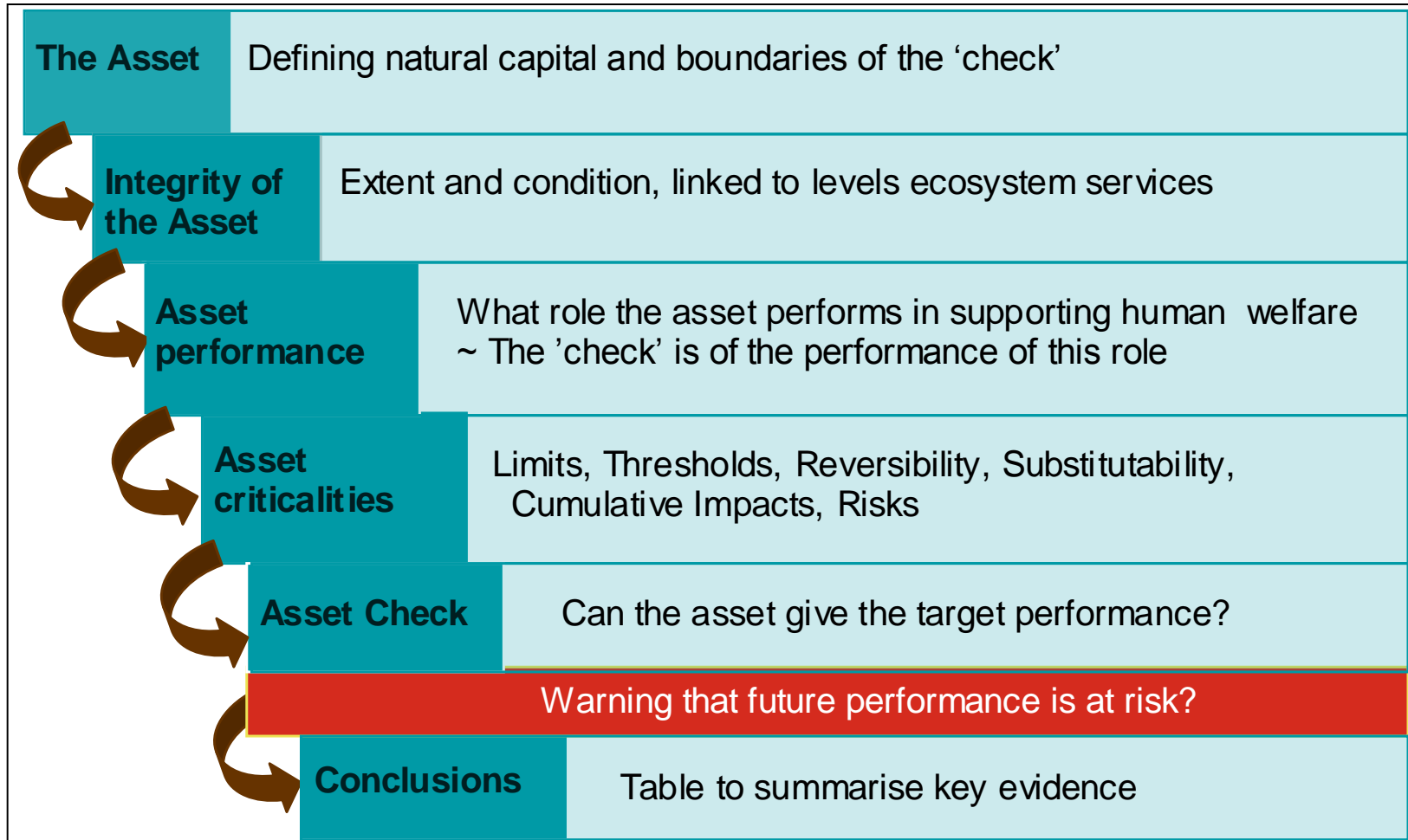
- We use different indicators to assess for an asset:
  - a) How much do we have? (amount, condition)
  - b) What does it produce? and
  - c) How are our actions affecting a) & b) over time?

## More specifically...

- We use different indicators to assess for an asset:
  - a) How much do we have? (amount, condition)
  - b) What does it produce? and
  - c) What is the relationship between a) and b)? (non-linear/linear, renewable/non-renewable)
  - d) What are the risks and vulnerabilities in this relationship? (thresholds, substitutes)
  - e) How are our actions affecting d) over time?



# NCAC overview

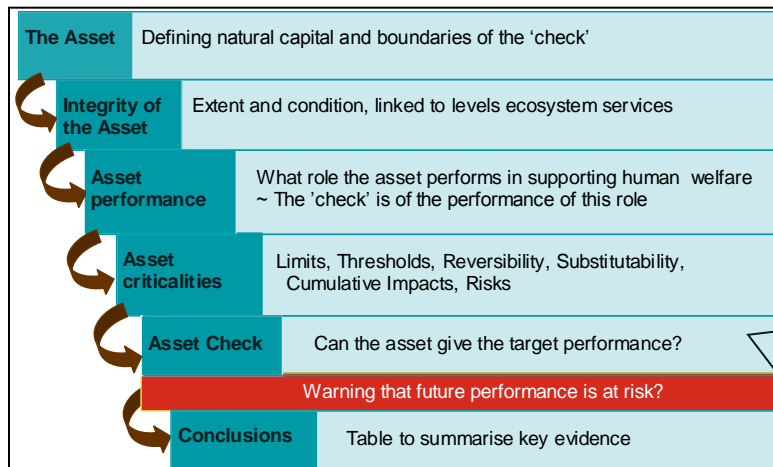


## Planned Case Study

- A. Freshwater
- B. Blue carbon (scoping)
- C. Pollinators
- D. Soil quality
- E. Urban green space (cultural services)
- F. Uplands
- G. Saltmarsh fisheries (extension)
- H. Estuaries x2
- I. Review links to accounts

## Outputs

- Catalogue of case studies
- Publicly available ‘approach’ guiding NCAC:



Question	Guidance on Answer
A. Tradeoffs?	<i>If one or more of the asset’s key ecosystem services (see question D) are increased, does this lead to reductions in other services?</i>
B. Synergies?	<i>If one or more of the asset’s key ecosystem services (see question D) are increased, does this lead to increases in other services?</i>
Uncertainties	<i>Give level of uncertainty* in analysis and reasons for this. * Use Uncertainty scale described in introduction.</i>
C. Sustainability test: is the asset currently able to give the target performance?	<i>Compare integrity in question I and performance in question L.</i>
If yes - will this performance be sustained into the future?	<i>Relate changes from question O and criticalities from P and Q to future changes identified in questions M and N. Give timescale - from question C.</i>
If no - state why?	<i>Is this because target performance is unrealistic, or because integrity of asset is compromised, or both?</i>
D. Red flags?	<i>This is a warning if future target performance is at risk, for example because: - the asset is underperforming (see question X) and continuing to decline (see Question O), or - there is prospect of collapse (a limit or threshold - see questions P and Q) which could be irrecoverable (i.e. being irreversible, see question R, and with no substitute, see question U)</i>
Uncertainties	<i>Give level of uncertainty* in analysis and reasons for this. Use Uncertainty scale described in introduction.</i>

## Outcomes from Scoping & UKNEA follow-on study

- UK peer review of concepts
- Wider promotion of NCAC approach
- Stimulate others to bring forward asset checks
- Input to NCC thinking on ‘unsustainable use’

Thank you!

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*Cambridge 4<sup>th</sup> February 2013*

