



Valuing the cost of losing environmental services and the benefits of maintaining or restoring them

**Presentation to Seminar on the cost of inaction
and on investment opportunities in the drylands**

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Why is IUCN interested in economic valuation?

- ***IUCN Vision: a just world that values and conserves nature (i.e. nature conservation cannot be at the expense of poverty reduction)***
- ***IUCN Mission: to influence, encourage and assist societies around the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable***
- ***Key area for IUCN given that most of our funding is from bilateral aid donors***

IUCN experience with economic valuation

- ***Valuation efforts concentrating on use values, e.g. value of wetlands in treating urban sewage, mangroves as fisheries nurseries (and more recently as coastal protection), deciduous woodlands for livestock browse, wood and medicinal plants among others***
- ***Valuation exercises done together with local IUCN members and partners to raise awareness and build capacity***
- ***Dryland countries concerned include Cameroon, Kenya, Mauritania, Niger, Senegal***

Some Findings from IUCN's valuation work

- Official (so-called “hard”) economic data often underestimate value of natural resources (ex. average monthly cash value of ngitili woodlands in Shinyanga Region, Tanzania, is higher than national statistics for rural consumption – \$14.5 and \$8 respectively)***
- Results often surprising also to IUCN (ex. Mount Elgon NP, Uganda)***
- Restoration pays for people as well as the environment (e.g. restoration of flood plains in Diawling National Park, Mauritania and in Waza Logone, Northern Cameroon).***

Some lessons learned from our valuation work:

- *Valuation not very useful as a one-off, strictly technocratic exercise – need to facilitate longer-term dialogue, build local capacity, empower resource-dependent communities to tell their stories to politicians*
- *Scale is key. Many investments that appear profitable at site level have important disbenefits at larger scales (e.g. development of intensive farming in wetlands that provide dry season grazing for transhumant pastoralists)*

Some lessons learned from our valuation work:

- ***Profitable output markets provide the most important incentive for improved land & water management***
- ***For land conversion, reversal of burden of proof remains key (given impossibility of valuing diverse resources everywhere, burden of proof should be on developers – the opposite of EIA)***