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CONSERVATION LEARNING EXCHANGE

The Natural Capital Project

ALIGNING ECONOMIC FORCES WITH CONSERVATION

A joint venture among Stanford University, The Nature Conservancy and World Wildlife Fund

Upper Yangtze River in Yunnan Province in China, Asia Pacific. © Ron Geatz/TNC

TBD

Destroy nature and you lose human life support systems: the forests that purify water and air, the coral reefs that nurture fish. We know this all too well – so why is nature still losing out to markets that value trees more when they're cut and sold as timber, or floodplains when developed as strip malls?

We believe it's because of the lack of economic forces on behalf of nature. Traditional ways of calculating Gross Domestic Products consistently omit the trillions of dollars of benefits that nature provides, and on which our lives depend. The first victims of this glaring accounting error are the world's poorest people, who live closest to nature and most harshly experience its degradation. Yet ultimately no one is immune from global threats including climate change, loss of pollinators, and depleted fisheries.

Imagine now a different kind of world: a world of greater economic realism, where societies would manage ecosystems like the precious natural assets they are. This is the world envisioned by The Natural Capital Project, a new and unprecedented partnership among Stanford University, The Nature Conservancy, and World Wildlife Fund. The Project, launched 31 October 2006 in Washington, D.C., aspires to provide maps of nature's

services, assess their values in economic and other terms, and – for the first time on any significant scale – incorporate those values into resource decisions.

The Natural Capital Project is focusing its initial efforts on five main sites: the Afro-montane region of Africa; the upper Yangtze River Basin in China, the North Shore Oahu and Kona areas of Hawai'i, and the Sierra Nevada region in California. The sites were chosen for many reasons, including their wealth of biodiversity and ecosystem services, significant and engaged stakeholders, willing local capacity to implement, and imminent resource policy decisions.

The main four are featured below:

Afro-montane Region, Africa

The Eastern Arc Mountains of Tanzania compose one of the world's most important areas for biodiversity conservation. These peaks also regulate freshwater supplies, store carbon, and provide medicinal plants and other essential goods to local communities. Agricultural development, however, continues to push these valuable mountain forests ever further toward the peaks. The Natural Capital Project works with over 40 collaborators from Tanzania, the UK and South Africa to map and value the mountains' many ecosystem services. We will use these maps to improve management decisions and to direct payments for water and other services that are just getting under way in Tanzania.

Upper Yangtze River Basin, China

The Upper Yangtze River stretches across much of western China and is one of China's most important resource areas as well as a critical supplier of ecosystem services to the nearly one-tenth of the world's population who live downstream. This fragile environment is changing rapidly, due to factors including population growth, local mining, road-building, and exploitation of regional hydropower resources. Over the next five years, government leaders will be making critical conservation and development decisions for the region.

Sierra Nevada Region, California, U.S.

Ecosystem services are as vital to the world's strongest economies as they are to developing nations. It is important in both symbolic and practical terms that we demonstrate the power of this project's new approach to conservation in the United States. The Sierra Nevada region, along the eastern edge of California, is globally significant for its biodiversity, grandeur, and natural resources. Providing water resources, agricultural products, timber resources, ranching, mining, tourism and recreation, the Sierra Nevada region is a major contributor to the state's economy, yielding 65 percent of California's developed water supply.

North Shore (Oahu) & Kona (Big Island), Hawai'i, U.S.

Hawai'i is a microcosm of important forces at play worldwide. With a rapidly growing population and intensifying development pressure, the future of Hawai'i's forests and agricultural lands is in question. Today, diverse leaders across the public, private, and non-profit sectors in Hawai'i are mobilizing to incorporate the values of natural capital into land use and policy decisions. Under the state's ecosystem services resolution and climate bill, passed in 2006 and 2007 respectively, we are designing models that we hope can inform future efforts in the U.S. and across the tropics.

Achieving this vision will require new scientific methods, new financial instruments, and new governmental policies. The Natural Capital Project will work toward providing all three, combining the strengths of one of the world's leading research universities and two of the world's most experienced and effective field conservation organizations.

Specifically, we plan to:

- Develop new tools to incorporate the values of ecosystem services in decision-making. These will include maps of natural capital and innovative approaches, including private markets, to motivate and finance conservation.
- Launch an international network of projects that bring to life the promise of this way of reframing our vision of nature, applying understanding of natural assets and ecosystem services as a part of land-use and investment decisions.
- Magnify the impact of these on-the-ground projects by engaging decision-makers, from local leaders to government officials to financial professionals.

www.naturalcapitalproject.org

LEADS

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The Nature Conservancy
Protecting nature. Preserving life.™