

# Natural Capital Accounting and Valuation of Ecosystem Services (NCAVES)

January 15, 2021

**In news:** The Ministry of Statistics & Programme Implementation is to organize NCAVES India forum in collaboration with United Nations Statistics Division (UNSD), European Union and UN Environment.

NCAVES India Forum 2021 is being organised in a virtual format, with live sessions on January 14, 21 and 28, 2021

**About the Natural Capital Accounting and Valuation of Ecosystem Services(NCAVES):**

The Natural Capital Accounting and Valuation of Ecosystem Services (NCAVES) project seeks to advance the theory and practice of environmental and ecosystem accounting in several countries

**The project will have a duration until the end of 2021.**

**Funding:** The Project is funded by European Union through its Partnership Instrument (PI)

**Objectives:**

The main objective of the UNSD-led project is to mainstream natural capital accounting and the valuation of ecosystem services in data-driven decision and policy-making at the national, regional and local levels.

It also aims to advance the knowledge agenda on environmental-economic accounting, in particular ecosystem accounting through pilot testing of the System of Environmental Economic Accounting (SEEA) Experimental Ecosystem Accounting (EEA),

with a view to:

- Improve the measurement of ecosystems and their services (both in physical and monetary terms) at the (sub)national level
- Mainstream biodiversity and ecosystems at (sub)national level policy planning and implementation
- Contribute to the development of internationally agreed methodology and its use in partner countries.

### **Countries covered under the project:**

The project is covering five piloted countries- India, Brazil, China, South Africa and Mexico

### **Project activities:**

1. **Ecosystem accounts:** A range of ecosystem accounts (in both physical and monetary terms) will be piloted in the five project countries. The accounts will be subsequently applied in scenario analysis based on national policy priorities.
2. **Guidelines and methodology:** Country pilots will feed into the revision of the SEEA EEA and guidelines (on biophysical modeling, valuation, and scenario analysis) that will contribute to national and global implementation of natural capital accounting;
3. **Indicators:** Development and testing of a set of indicators in the context of the post-2020 biodiversity agenda and other international initiatives;
4. **Business accounts:** Contribute to the alignment between SEEA and corporate sustainability reporting;
5. **Communications:** Increase awareness of natural capital accounting both in project countries and beyond through developing a range of products;
6. **Enhanced capacity building and knowledge sharing:** Enlarge the community of practice on natural capital accounting by e-learning and training workshops (in

country and regional).

### **Implementing partners:**

- This project is implemented jointly by the UN Statistics Division (UNSD), UN Environment Programme (UNEP) and Secretariat of the Convention on Biological Diversity (CBD).
- **In India, the NCAVES project is being implemented by the MoSPI** in close collaboration with the Ministry of Environment, Forest and Climate Change (MoEF&CC) and the National Remote Sensing Centre (NRSC)

### **System of Economic Environmental Accounts Ecosystem Accounting (SEEA)**

As the agreed-upon international standard for natural capital accounting, the System of Environmental Economic Accounts (SEEA) provides a common framework for organising and presenting statistics on the environment and its relationship with the economy. Placing environmental statistics into an accounting framework dramatically increases their usefulness for policy, enabling international comparability, replication over time and straightforward integration with existing national accounts.

### **History and current status of SEEA**

The SEEA Experimental Ecosystem Accounting (SEEA EEA) framework was endorsed by the United Nations Statistical Commission in March 2013 as an important first step in the developing a statistical framework for ecosystem accounting. It was released in 2014 as a joint publication of the United Nations, European Commission, Food and Agriculture Organization of the United Nations, Organisation for Economic Co-operation and Development and the World Bank.

### **Natural capital accounting**

It is the process of calculating the total stocks and flows of natural resources and services in a given ecosystem or region. Accounting for such goods may occur in physical or monetary terms.