

# eftec

Economics for the  
Environment  
Consultancy

## *Green capitals, Natural infrastructure*



*Ian Dickie, eftec*

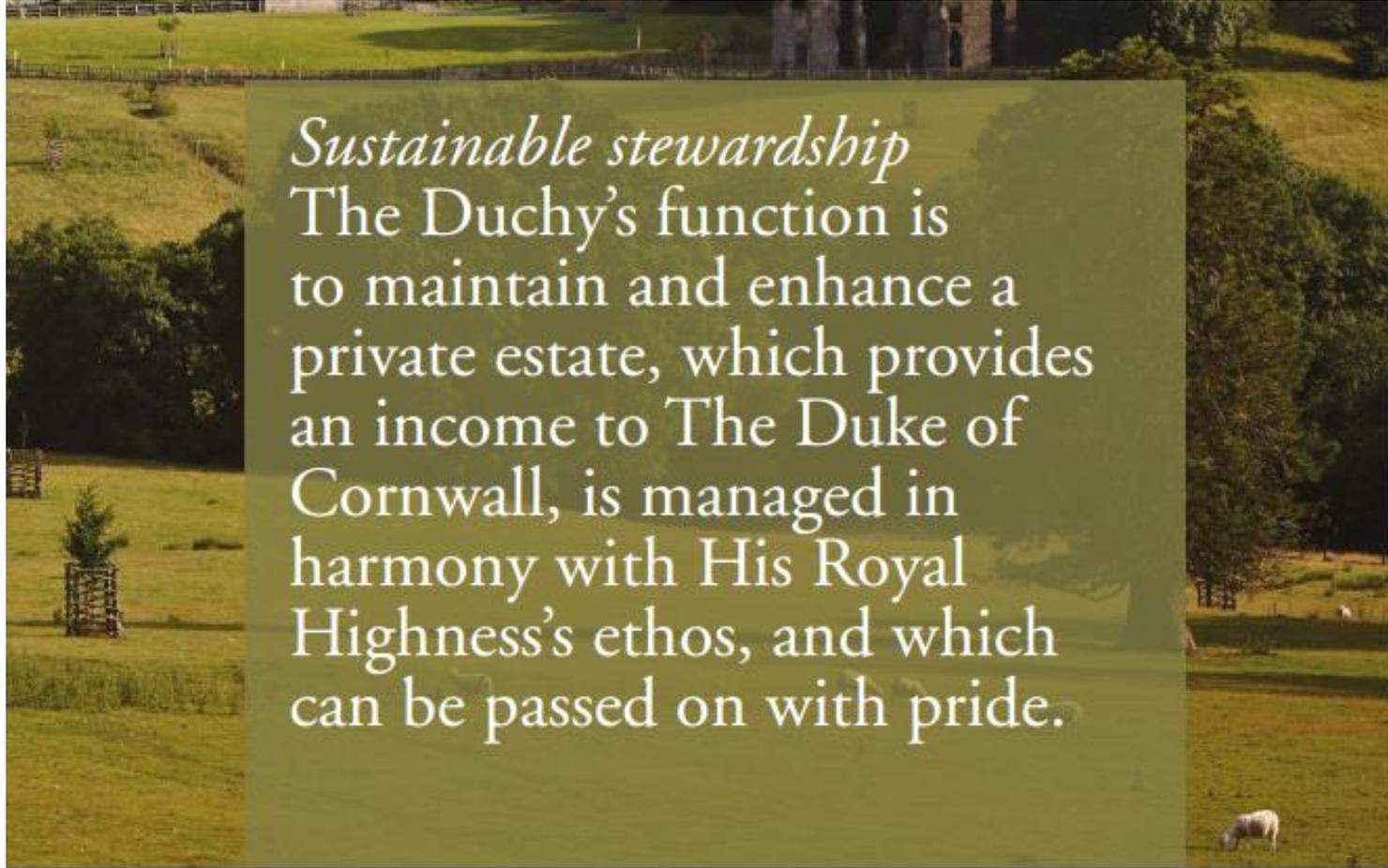
**Building  
Prosperous Cities**

*London, 27/9/16*

## Natural Capital is:

*“...elements of natural environment provide valuable goods and services to people”*

# Duchy of Cornwall – mission statement





Assets



The High Line © David Berkowitz

# Natural capital accounting

**1. What do we have?**

Stocks of natural assets

**2. What does it produce?**

Benefits to people

**3. What is that worth?**

Asset value

**4. What does it cost to maintain these benefits?**

Liability

# Accounting for natural capital assets

## Conventional physical assets



- Benefits to the enterprise (revenue streams)
- Benefits at a single, local, scale
- Depreciate in value over finite lifetime
- Exclusively owned and controlled by the organisation for entirety of useful life

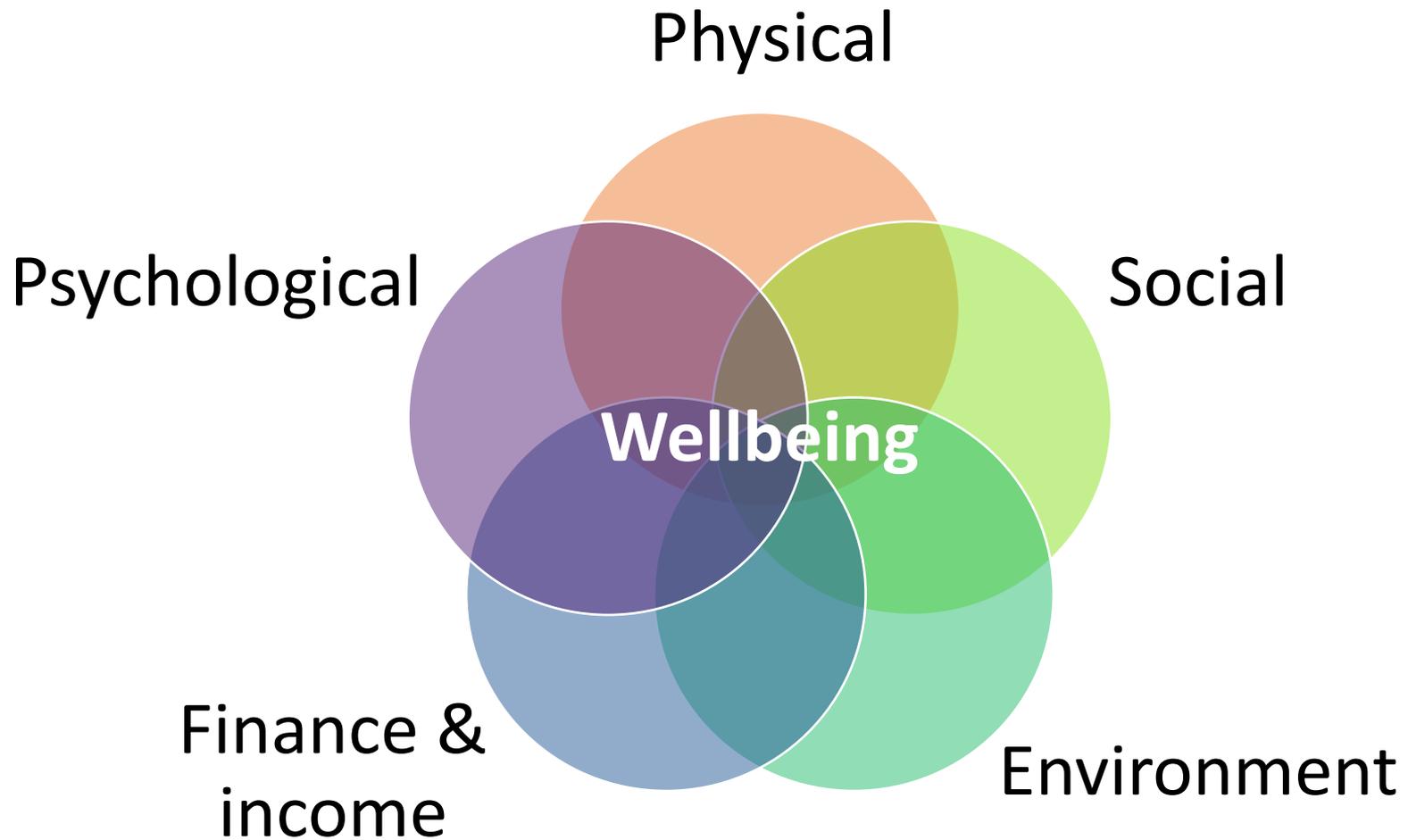
## Natural capital assets



- Benefits to the enterprise and wider society
- Benefits at multiple scales (local, regional, global)
- Without intervention, value may decline or remain stable
- Value may appreciate over an infinite lifetime
- Often only partially 'owned' or controlled (e.g. certain use rights) for a defined period of time

# Ecosystem Services





# Spatial



Natural Capital is:

*“...elements of natural environment that provide valuable goods and services to people”*

Green Infrastructure is:

*“...a network of multi-functional green space ... integral to the health and quality of life of sustainable communities”*

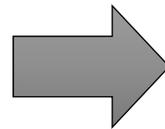




# Economic valuation of environment



*from this...*



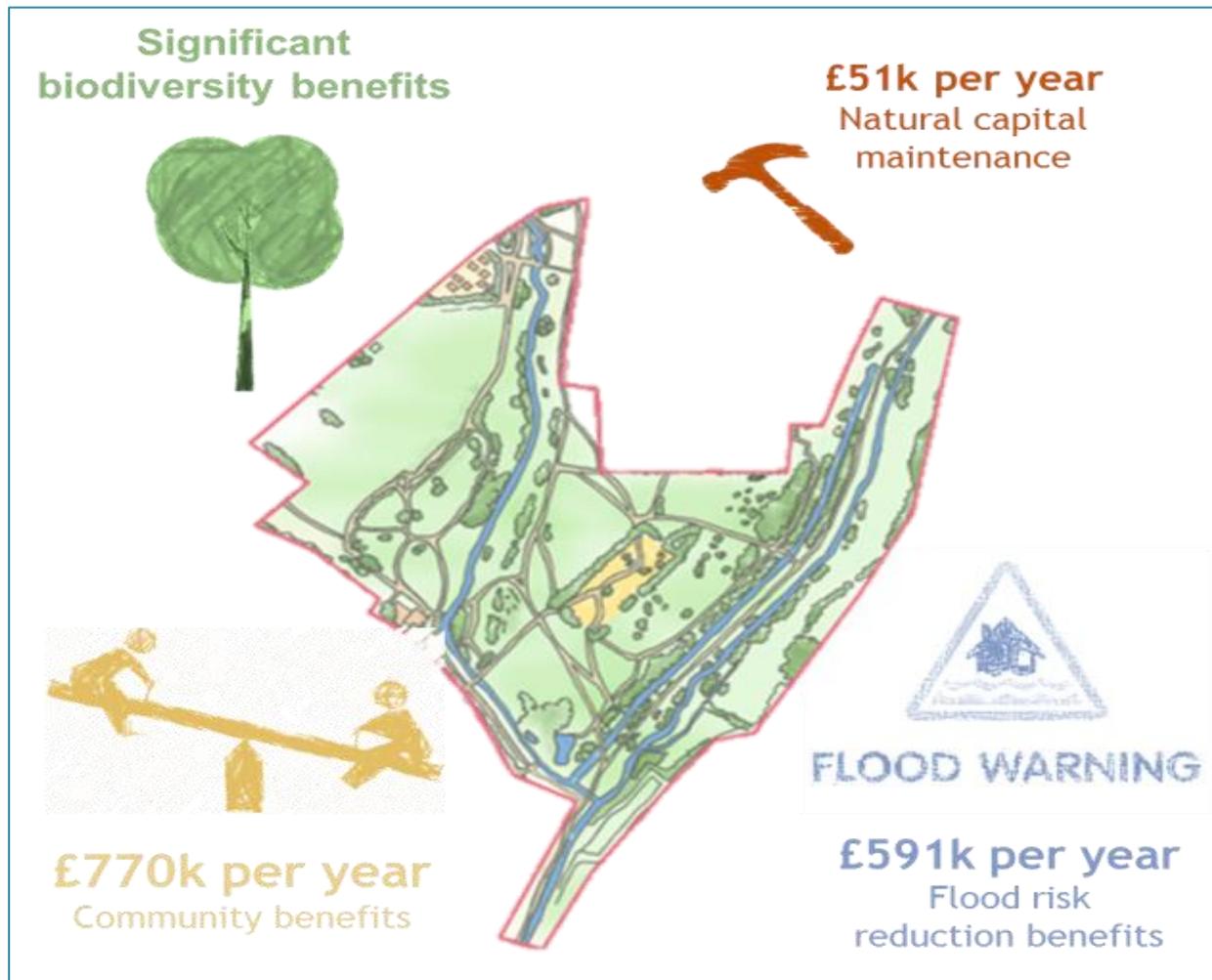
*to this...*



*How much does individual's wellbeing change?*



# Parks are Assets



Source: eftec, 2015



# Thank you!

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