

My questions below relate to the following sections within the AONB Management Plan, as finalised for adoption (2021-2026).

4.2 Natural Capital

4.2.1 The Management Plan adopts the '**Ecosystem Approach**', being a central principle in the implementation of the Convention on Biological Diversity (CBD, 2004).

4.2.2 The ecosystem approach provides a mechanism which can be used to look at whole ecosystems during the decision making process, and for valuing the ecosystem services they provide.

4.2.3 Natural capital refers to both the living (e.g. fish stocks, forests) and nonliving (e.g. minerals, energy resources) aspects of nature which produce value to people, both directly and indirectly(...) Essentially, natural capital is about nature's assets. **From these assets we derive a flow of benefits known as ecosystem services. A monetary value** can be placed on some elements of the natural system, using the concept of division of assets and flows.

4.3 Ecosystem services

4.3.1 Ecosystem services are the services provided by nature that benefit people. The environment is our life support system, important for its intrinsic value, as well as providing water, producing our food, energy and timber, sustaining our wildlife and creating employment and income worth billions of pounds (TEEB, 2010)

Questions:

1) Are members of the Joint Advisory Committee aware that the Natural Capital model being adopted by the AONB Management Plan would, when combined with the associated ESS (Ecosystems Services) and PES (Payment for Ecosystems Services) mechanisms:

a) audit our land, water, mineral, biodiversity and energy resources and seek to convert such resources into "marketable" financial assets (referred to as 'Natural Assets') through various "market-based instruments and payments for ecosystems services."

b) permit financial institutions, hedge/ pension funds, private individuals and multinational corporations to purchase, hold and trade our 'Natural Assets' through emerging Natural Capital and 'Carbon' markets?

c) effectively privatise and commodify by stealth all land within the AONB and Public Forestry Estate by permitting companies and individuals to, for example, own the 'Carbon' contained within our forests (for offsetting, for-profit-trading or tax evasion purposes)?

2) Do the Committee members responsible view this privatisation by proxy as in anyway related to obligations implicit in the AONB's declaration of a Climate Emergency?

3) Do the Committee members responsible consider that there has been adequate public consultation (especially in the Forest of Dean); and that residents (and members) have been fully informed of the implications of such a policy?

Related information/ context:

This 'Natural Capital' accountancy approach ought to be considered in the context of not just Forestry England/ Defra's interest in adopting a Natural Capital/ ESS approach, but also an invigorated United Nations System of Environmental-Economic Accounting (SEEA), which is supported by the World Bank's Wealth Accounting and Valuation of Ecosystem Services (WAVES) programme and the EU and UN's Economics of Ecosystems and Biodiversity (TEEB) programme.

This also comes hot on the tail of the recent UK Dasgupta Review – The Economics of Biodiversity, published 2 February 2021, which is the Final Report of the Independent Review on the Economics of Biodiversity led by Professor Sir Partha Dasgupta.

The 610 page report mentions 'Natural Capital' a grand total of 357 times.

Source: <https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review>

The Convention on Biological Diversity, amongst other transnational commitments, helped to introduce the ecosystem approach and its related idea of ecosystem services to a succession of concepts which are increasingly becoming the basis for natural resource management in the United Kingdom.

In the context of forests, the 2007 Non-Legally Binding Instrument on all Types of Forests (NLBI), "encourages recognition of the range of values derived from goods and services provided by all types of forests and trees outside forests, as well as **ways to reflect such values in the marketplace**, consistent with relevant national legislation and policies" (UN, 2007)

The UK Government has produced a series of reports including an Action Plan to promote "practical and innovative development of Payments for Ecosystem Services PES schemes, and considers the actions we can take to enable them. PES schemes are about identifying practical ways to deliver new and additional investment in the natural environment, as well as seeking better targeting and value for money of existing funding streams."

Source: <https://www.gov.uk/government/publications/payments-for-ecosystem-services-pes-action-plan>

"Carbon markets arguably present the biggest current opportunity for PES schemes in forestry, providing companies and individuals with the option of abating their emissions through investing in woodlands for carbon sequestration purposes. The government is supporting the woodland carbon market through further development of the Forestry Commission's Woodland Carbon Code

“Ecosystem services potentially relevant for PES - Carbon sequestration, flood alleviation, water quality, amenity, landscape, biodiversity.”

“Potential actors: (a) Buyers - Government and public agencies, visitors to woodlands, downstream beneficiaries including water companies, private businesses for CSR purposes and reducing business risk. Current buyers in relation to Woodland Carbon Code include retailers such as supermarkets and travel companies, and some manufacturing and haulage companies. Lack of scale and lack of access to compliance carbon markets mean that opportunities are currently more limited with big emitting companies (who are in the EU ETS)

(b) Providers - e.g. Public and private landowners and tenant land managers, private businesses (commercial interests and investors), conservationists, amenity owners.

(c) Intermediaries - Natural England, Forestry Commission, Environment Agency, Wildlife Trusts, RSPB, experts in market creation, market brokers (e.g. Forest Carbon).”

Source:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/200889/pb13918-pes-actionplan-20130522.pdf

The 2013 Payments for ES Guide begins with a foreword by Sir John Lawton:

“Arguing that the natural world is priceless is deeply mistaken. How much is a skylark worth? Well it clearly isn’t zero, but nor is it infinite. I don’t want to pay to listen to skylarks, and being more precise than this about their value is tricky (to put it mildly), but as this best practice guide shows, **it is possible to put a value on many other aspects of nature’s services**, with varying degrees of difficulty and consensus. Increasingly, **paying for ecosystem services** will be another powerful reason for society to look after the natural world, and to stop taking for granted the benefits we derive from it.”

It defines the concept of Payment for Ecosystems Services as: “PES schemes involve **payments to the managers of land or other natural resources in exchange for the provision of specified ecosystem services** (or actions anticipated to deliver these services) over-and-above what would otherwise be provided in the absence of payment. Payments are made by the beneficiaries of the services in question, for example, individuals, communities, businesses or governments acting on behalf of various parties”

“PES therefore provides an opportunity to **put a price on previously un-priced ecosystem services like climate regulation, water quality regulation and the provision of habitat for wildlife** and, in doing so, brings them into the wider economy.”

Source: <https://www.cbd.int/financial/pes/unitedkingdom-bestpractice.pdf>

“In recent years, forestry policy, especially the international and European soft law on forests that has been negotiated since 1992, has progressively been influenced by the increased importance given to market mechanisms, voluntary regulations, and the private sector (Humphreys, 2009).

The current international dialogue on forests, according to Humphreys (2009), thus “needs to be understood as one in which neoliberal principles have become melded with the ideas of sustainable forest management and conservation” (p. 320).

The 2015 MCPFE Madrid Ministerial Resolution 1 (MCPFE, 2015) also commits itself to “incorporating the value of forests ecosystems services in a green economy”, including through tools such as “market-based instruments and payments for ecosystem services”.

The UK is no exception to this. Indeed, since the publication of Defra's ecosystem approach action plan and ecosystem services valuation guide in 2007, the government, through Defra, has gradually rolled out the ecosystem approach throughout the country, but placing a strong focus on ecosystem services and their valuation and marketisation.

The Government's 2013 Forestry and Woodland Policy Statement (Defra, 2013) also puts much emphasis on market approaches. However, there is a potential danger that the continued overemphasis on ecosystem services and market approaches could impact on current sustainable forest management practices and may weaken existing notions of stewardship. Indeed, there are concerns that this shift may endanger previous multiple forest management arrangements developed under sustainable forest management (Quine et al., 2013); management objectives could increasingly be driven by the supply and delivery of a small range of easily marketable ecosystem services (Collins and Larry, 2007, Quine et al., 2013).

These transnational ideas were taken up by the UK government in numerous more general policy statements, beginning with the 2007 Ecosystem Valuation Guide (Defra, 2007a). The Forestry Commission made an explicit reference to ecosystem services in its 2011 UK Forestry Standard (Forestry Commission, 2011). There, it also provided an extensive list of woodland ecosystem services, building on the 2005 MA and the 2011 UK National Ecosystem Assessment (UK NEA, 2011).”

Source of above: <https://www.sciencedirect.com/science/article/pii/S0264837716307645>

Additional reading on these topics:

“The balance sheet of nature? On making monetary value of UK ‘natural capital’” Sian Sullivan

“Making nature investable: from legibility to leverageability in fabricating ‘nature’ as ‘natural capital’” (2018) *Science and Technology Studies* 31(3): 47-76. Sian Sullivan

Limits of monetization in protecting ecosystem services” (2018) *Conservation Biology* 32: 1048–1062. J. Temel, Aled Jones, N. Jones, et al., “

“Between priceless and worthless: challenges in using market mechanisms for conserving biodiversity” (2012) *Transnational Environmental Law* 2(2): 217-233.