

Natural Capital and Ecosystem Services information and guidance

Version 1.1 November 2022

Introduction

The application of Natural Capital and Ecosystem Services as a framework to better understand the value of the environment is an emerging field that is rapidly being adopted into international initiatives and domestic policy. To support the work of its members, CIEEM provides this brief introduction to the topic and list of key references for natural capital and ecosystem services in the UK and Ireland. The list is intended to signpost the most up-to-date information and guidance documents, where they exist.

The Institute's Code of Professional Conduct specifically requires members to maintain professional knowledge, work to expected standards, and have 'regard to the relevant published technical guidance and standards'. This information should help members become familiar with the topic and signposts members to current guidance and information. However, this area of professional practice is evolving quickly, and new guidance and approaches are being developed all the time. CIEEM therefore reminds members that, depending on the specific nature of their work, other guidance documents and sources besides those listed may also be relevant. Some approaches have been designed to operate in specific geographic regions or nations and where possible, CIEEM has identified those regions where each approach is most likely to be applicable. CIEEM recommends that the use and scope of any tool or approach is discussed and agreed with relevant stakeholders prior to its selection.

CIEEM intends that the list will evolve over time, as new or updated information, case studies and guidance documents are published. As the topic is a fast-moving area, the list will therefore be subject to a formal review and update approximately every six months, although documents may be added or removed at any time. Members need to be aware of this and keep themselves up to date with changes. In due course CIEEM may consider if specific CIEEM guidance on natural capital and ecosystem services would be valuable.

CIEEM's Professional Standards Committee would welcome written representations from members to add, change or update the list to keep it current and relevant. In seeking a change / addition to the list, members should email enquiries@cieem.net setting out why they consider the change is necessary. For additions, please include a complete reference and if possible, a link to the guidance. The list has been produced by CIEEM's Professional Standards Committee, together with assistance from individuals with relevant expertise. In accordance with CIEEM's Principles of Preparing Good Guidance (CIEEM, 2021), CIEEM would welcome representations from members on the need for and scope of any CIEEM-specific guidance in this area of professional practice.

What are natural capital and ecosystem services?

"Natural capital includes certain stocks of the elements of nature that have value to society, such as forests, fisheries, rivers, biodiversity, land and minerals. Natural capital includes both the living and non-living aspects of ecosystems.

Stocks of natural capital provide flows of environmental or 'ecosystem' services over time. These services, often in combination with other forms of capital (human, produced and social) produce a wide range of benefits.

These include use values that involve interaction with the resource and which can have a market value (minerals, timber, freshwater) or non-market value (such as outdoor recreation, landscape amenity). They also include non-use values, such as the value people place on the existence of particular habitats or species." (HM Treasury Green Book, page 631).

A natural capital approach is about thinking of nature as an asset, or set of assets, which provide benefits to people. The ability of natural assets to provide goods and services is determined by their quality, quantity and location. These in turn can be affected by background pressures, management practices and drivers of demand.

An ecosystem logic chain approach with four elements (assets, services, benefits, value) is often adopted for understanding and accounting for the value of nature to stakeholders. Reporting can happen at each of the four points but many standards emphasise the importance of understanding the whole logic chain. However, as value does not necessarily represent the condition of the assets, Natural England suggests that the focus should be on the first half of the chain i.e. the quantity, quality, and location of your assets, their health. Stocks have higher value if they are in good health due to their ability to contribute benefits now and into the future.

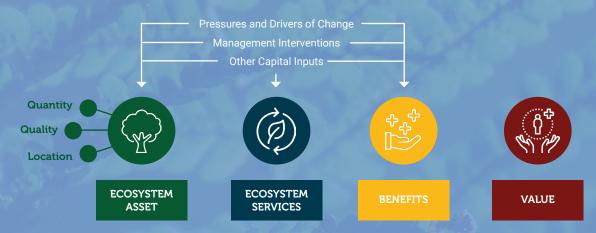


Figure 1: Generalised natural capital logic chain

¹⁻The Green Book: appraisal and evaluation in central government - GOV.UK (www.gov.uk)

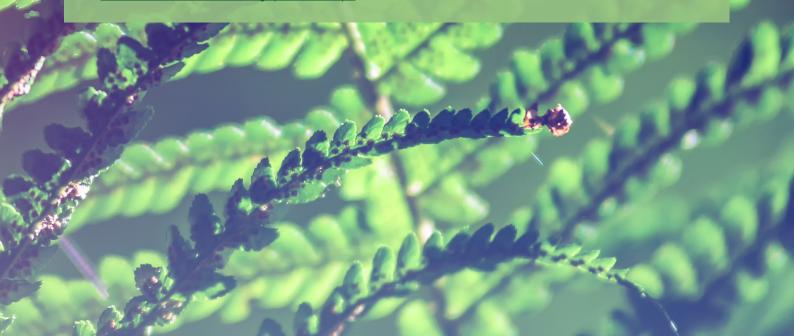
Why should I care about natural capital and ecosystem services?

A natural capital approach to policy and decision-making considers the value of the natural environment for people and the economy. The approach is increasingly being adopted in a number of regulatory contexts which will be highly relevant to CIEEM members. For example, local authorities are using natural capital concepts to demonstrate local economic and human health and well-being benefits of green infrastructure and biodiversity net gain to support the case for future investments and to inform preparation of Local Nature Recovery Strategies.

HM Government published a 25-year plan to improve the environment in 2018, which included recommending the use of a Natural Capital Approach to value nature and the environment. One aspect of this plan is the desire to move towards delivering "Environmental Net Gain". This is defined as development that, having achieved Biodiversity Net Gain, goes on to deliver gains in the natural environment and the ecosystem services this provides. NatureScot is also promoting a Natural Capital Approach for valuing nature and recently undertook a study of its own landholdings to demonstrate an experimental methodology. In Wales, the Well-being of Future Generations Act 2015 requires development to be sustainable and enhance healthy functioning ecosystems. The Environment (Wales) Act 2016 puts a duty upon public authorities to promote the resilience of ecosystems.

For more information see:

- CIEEM, CIRIA and IEMA joint guidance on Biodiversity Net Gain for UK construction and developments².
- CIEEM briefing paper on Environmental Net Gain³
- ² Biodiversity Net Gain guidance published | CIEEM
- ³ CIEEM-Environmental-Net-Gain-Briefing-Apr2021-FINAL-1.pdf



	In	fluen	ce		Author	Title: Guidance (G)/ Tool (T)/ Case study (C)/	Link	Brief summary	Notes / Comment
sco	ENG	WAL	NI	IRL		Information (I)			
					Guidance				
X	Х	Х	Х		Defra	Enabling a Natural Capital Approach (ENCA) Guidance (G)	Enabling a Natural Capital Approach (ENCA) - GOV.UK (www.gov.uk)	A natural capital approach to policy and decision making considers the value of the natural environment for people and the economy.	Published 22 Jan 2020, last update 20 Aug 2021. Would anticipate regular updates
								ENCA resources are data, guidance and tools to help you understand natural capital and know how to take it into account.	
								Aims to:	
								Build capacity Reduce costs Provide a platform that can be updated Identify new evidence/areas for development	
X	х	x	х		British Standards Institute	BS8632:2021 Natural Capital Accounting for Organizations. Specification (G)	https://shop. bsigroup.com/ products/natural- capital-accounting- for-organizations- specification?p	BS8632:2021 provides specifications and guidance on the process of preparing natural capital accounts. It includes minimum requirements for defining the scope of an account and the material impacts and dependencies and for documenting the data and process used to prepare the natural capital account. It prescribes two key accounting outputs of natural capital accounts – each with supporting schedules: a natural capital balance sheet (showing the organization's dependency on the natural capital income statement (showing the positive and negative impacts of the organization).	Competence in environmental accounting methods would be required to prepare accounts in the way specified within this Standard
					Tools				
	х				Defra (the Department for Environment Food and Rural Affairs), Natural England, University of Oxford, Forestry Commission and Environment Agency	The Environmental Benefits from Nature Tool - Beta Test Version (JP038) (T)	http://publications. naturalengland. org.uk/publica-	Beta test version of an Excel-based Tool designed to measure the ability of habitats to deliver ecosystem services. It can be used to measure the net changes in natural capital and the ecosystem services it provides as a result of landuse change or development. Tool requires baseline biodiversity information, i.e. habitat survey using UK Habitat classification, and is designed to work alongside a biodiversity net gain approach, following Natural England's Biodiversity Metric 3.x.	Tool is in Beta test form in 2021 (v1.0) No date for final release has been confirmed. Tool has been designed to operate in England, but may be applicable in other UK nations in certain circumstances.

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sco	ENG	WAL	NI	IRL		Information (I)			
Х	X	X	Х		WSP, Ecosystem Knowledge Network and Northumbria University	Nature Tool (T)	NATURE TOOL (nature-tool.com)	Tool to assess the impact of land-use and management changes on natural capital performance. Allows up to 17 ecosystem services plus physical and mental health benefits to be assessed and aggregated based on policy priorities. The tool is free to use, applicable across the UK and designed for the application	NATURE Tool has been released as BETA version on 27 th July 2021
								by non-specialists without requiring excessive data or time.	
					Case study				
					Bunloit Rewilding	Natural Capital Report (C)	Report	Bunloit Estate in the Highlands has conducted a comprehensive natural capital audit.	2021
					NatureScot	Testing a Natural Capital Approach on NatureScot Land Research Report 1144 (C)	https://www.nature.scot/doc/natures-cot-research-re-port-1144-test-ing-natural-capi-tal-approach-naturescot-land	NatureScot tested this approach on land that it owns or substantially manages, mainly as National Nature Reserves. Where possible they have tried to attribute a monetary value to benefits from nature.	2019
								This natural capital account is the first to be produced for NatureScot land. It uses an experimental methodology which needs further refinement.	
					Information				
				х	Natural Capital Ireland	Resources: Quick Reads; videos; blogs; etc. (I)	https://www.nat- uralcapitalireland. com/	Natural Capital Ireland is a group of organisations and individuals from academic, public, private and NGO sectors, interested in the development and application of the natural capital agenda in Ireland	Ongoing

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sco	ENG	WAL	NI	IRL		Information (I)		,	
X					Scottish Forum on Natural Capital	Resources: Briefings, presentations, news, etc (I)	https://naturalcapi- talscotland.com	The Forum is an initiative bringing together public, private and voluntary sector organisations to protect and rebuild Scotland's natural capital. Strives to enable businesses and policymakers gain a better understanding of how we rely on - and have an impact on - our natural capital.	Ongoing. Useful <u>navigation</u> and <u>resources</u> sections.
					Guidance				
X	Х	Х	Х		Natural Capital Committee	How to do it: a natural capital workbook (G)	Workbook	Practical guide aimed at anyone who wants to use natural capital approaches in making decisions about the natural environment. It is intended to support decision-makers, including planners, communities and landowners, but has particular relevance for place-based decisions.	2017 Other publications from the NCC available here - https://www.gov. uk/government/collections/natural-capital-committeedocuments
Х	х	х	Х		Natural Capital Committee	Economic Evaluation and its application in natural capital management (G)	Natural Capital Valuation	Lays out the types of decisions for which natural capital values might be useful and some principles to guide the choice of approaches to valuation.	2017
X	х	х	X		Valuing Nature Programme	Valuing Nature Programme (I)	https://valuing- nature.net/about	Five year, £6.5m programme which aims to better understand and represent the complexities of the natural environment in valuation analyses and decision making. It will consider the economic, societal and cultural value of ecosystem services.	2018 onwards
X	х	х	X		Biodiversity and Ecosystem Services Sustainability (BESS) Programme.	Guidelines on best practice in ecosystem service mapping (G)	<u>Guidelines</u>	Principles to consider when starting any ecosystem service mapping or assessment project. Also links to projects which are good examples of some of the principles	Biodiversity and Ecosystem Services Sustainability Programme (BESS) Ecosystems Knowledge Network
	х				Natural England	Quick Start Guides: The Ecosystem Approach (G)	Quick Start Guides: The Ecosystem Approach I Ecosystems Knowledge Network	A basic introduction with four Guides: #1Ecosystem Approach #2 Ecosystem Services #3 Integrated Delivery Plan #4 Ecosystem Service Valuation	
	х				Natural England	Quick Start Guides: Natural Capital (G)	Natural Capital Quick Start Guide #1.pdf (ecosystem- sknowledge.net)	A basic introduction for anyone who wants to understand the meaning of natural capital and the possible merits of implementing the concept.	

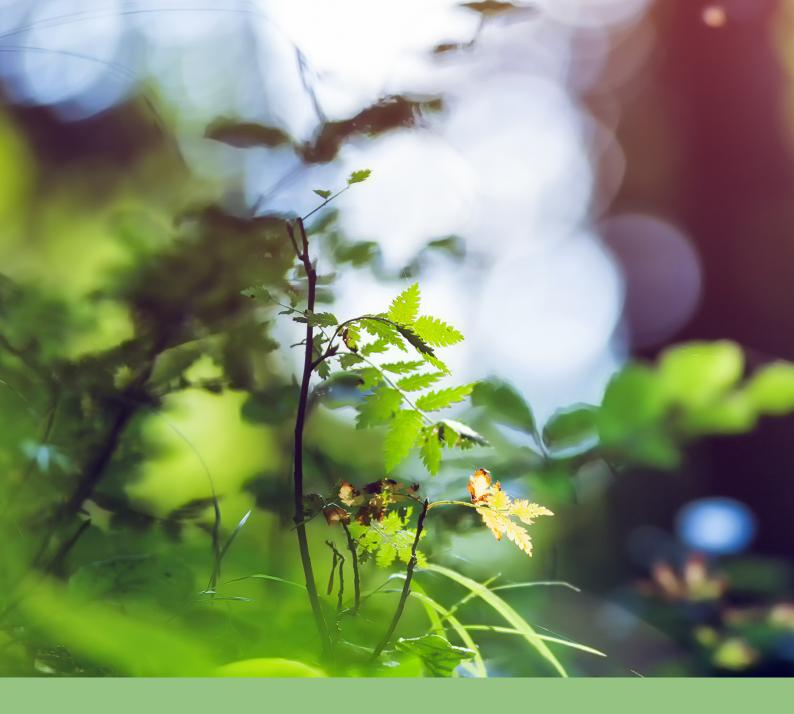
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X	х	х	Х		DEFRA	Payments for Ecosystem Services: A Best Practice Guide (G)	PES Best Practice Guide - 2015 edi- tion.pdf (ecosys- temsknowledge. net)	A helpful introduction to what the approach is and how it might be applied in the UK. Annex outlines examples of schemes in the UK and elsewhere.	2015
X	х	х	Х		Natural Capital Committee	Corporate natural capital accounting (CNCA) (G)/(C)	https://www.gov. uk/government/ publications/ natural-capi- tal-committee-re- search-corpo- rate-natural-capi- tal-accounting	Guidelines with practical steps for organisations seeking to undertake their own accounts. Plus 4 pilots with major landowners: National Trust, Lafarge Tarmac, The Crown Estate & United Utilities	2015
					Natural Capital Coalition	Natural Capital Protocol (G)/(T)/(C)	Natural Capital CoalitionNatural Capital Protocol - Natural Capital Coalition	A decision making framework that enables organizations to identify, measure and value their direct and indirect impacts and dependencies on natural capital. Includes primer, framework, templates, toolkit and case studies	2017
X					Scottish Government	Interim Principles for Responsible Investment in Natural Capital (G)/(I)	https://www.gov. scot/publications/ interim-principles- for-responsible- investment-in- natural-capital/	Set out the Scottish Government ambitions and expectations for a values- led, high-integrity market for responsible private investment in natural capital to stakeholders	2021
					IES (Institution of Environmental Sciences)	Ecosystem services assessment: How to do one in practice (G)	ecosystem_ services.pdf (the- ies.org)	Guidance on how to make an ecosystem services assessment. Addresses assessment of likely ecosystem service outcomes across a range of contexts.	2013
					Consortium lead by Birmingham City University	National Ecosystem Approach Toolkit (G)/(T)/(C)	National Ecosystem Approach Toolkit - The NEAT Tree (ecosystemsk- nowledge.net)	The NEAT Tree provides you with tools and experience to build this relationship with nature into your decisions in a transparent, participatory and evidence-driven way. Not only will these lead to better outcomes, it will allow you to demonstrate that the principles of the Ecosystem Approach have been built into your work.	
					Tools				
					BirdLife Inter- national and others	Toolkit for Ecosystem Service Site-based Assessment (TESSA) (T)	https://www. birdlife.org/world- wide/science/ assessing-ecosys- tem-services-tessa	Accessible guidance on low-cost methods for how to evaluate the benefits people receive from nature at particular sites.	TESSA is particularly useful in terms of real stakeholder engagement and when the implementers of the assessment have little resource or preexisting data.
					Stanford University	InVEST (T)	https://naturalcapi- talproject.stanford. edu/software/ invest	A suite of open-source software models for mapping and valuing ecosystem services provided by land and seascapes.	Considered market leader where rich data is available Factsheet Informa- tion Sheet InVEST. pdf (ecosystemsk- nowledge.net)

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					Integrated Modelling Partnership	ARIES (ARtificial Intelligence for Ecosystem Services) (T)	ARIES - ARtificial Intelligence for Ecosystem Services ARtificial Intelligence for Ecosystem Services (integrated modelling.org)	A networked collaborative software technology designed for rapid ecosystem service assessment and valuation. It gives equal emphasis to ecosystem service supply, demand and flow in order to quantify actual service provision and use by society (as opposed to quantifying potential service benefits). It aims to provide a suite of models that support science-based decision-making.	ARIES (ARtificial Intelligence for Ecosystem Services) Ecosystems Knowledge Network
					CIRIA	B£ST (Benefits of SuDS Tool) (T)(G)(C)	B£ST (susdrain. org)	BeST (Benefits of SuDS Tool) provides guidance to help practitioners estimate the benefits of Sustainable Drainage Systems (SuDS) without the need for specialist economic input. Tool, guidance and case studies	Second version issued in 2019
					Kings College/ UNEO-WCMC	Co\$ting Nature (T)	Costing Nature - www.policysup- port.org	Web based policy-support tool for natural capital accounting and analysis of the ecosystem services provided by natural environments. The tool estimates the current provision of water, carbon and tourism services and identifies the beneficiaries, then analyses current environmental pressures, future threats and conservation priority.	Introduction available here CoSting Nature Ecosystems Knowledge Network
					Environment Systems Ltd?	SENCE (Spatial Evidence for Natural Capital Evaluation) (T)	ecosystem. services mapping (envsys.co.uk)	Provides information to support evidence based decision-making on ecosystem services. It is based on the idea that any area of land is capable of contributing to one or more ecosystem services. That capability is based on factors including habitat, soil and geology, landform and hydrology, how land is managed and how it is culturally understood	Information Sheet SENCE.pdf (ecosys- temsknowledge.net)
Х	X	X	X		СЕН	Land Cover Map 2015 (T)	https://www.ceh. ac.uk/services/ land-cover- map-2015	LCM2015 is derived from satellite images and digital cartography and provides land cover information for the entire UK. Land cover is based on UK Biodiversity Action Plan Broad Habitats classes. It is available in different formats to suit the requirements of users.	
					Case study				
Х					Natural Capital Laboratory (NCL)	Digital Natural Capital Account (C)	https://aecom. com/uk/natu- ral-capital-labora- tory/	NCL is a joint venture between AECOM, the Lifescape Project, Emilia and Roger Leese, and the University of Cumbria to rewild 100 acres of land in the Highlands of Scotland. The project is acting as a real-world nature-based solution and exploring how we can manage the land to help tackle the climate and biodiversity crises.	5 year project. Interesting website with capital asset register and physical and monetary asset flows and maps.

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					Information				
Х	х	Х	Х		Valuing Nature Programme	Valuing Nature Programme (I)	https://valuing- nature.net/about	Five year, £6.5m programme which aims to better understand and represent the complexities of the natural environment in valuation analyses and decision making. It will consider the economic, societal and cultural value of ecosystem services.	2018 onwards
	Х				Natural England	Natural Capital Indicators: for defining and measuring change in natural capital (NERR076) (I)	http://pub- lications. naturalengland. org.uk/publica-	Indicator set	Edition 2 published 2020
	X				Natural England	National Natural Capital Atlas: Mapping Indicators (NECR285)	National Natural Capital Atlas: Mapping Indicators - NECR285 (natu- ralengland.org.uk)	Maps the state of England's natural capital in terms of its quantity, quality and location.	2020
	X				Natural England	Natural Capital Atlases: Mapping Indicators for County and City Regions (NECR381) (I)/ (T)	Natural Capital. Atlases: Mapping Indicators for County and City Regions - NECR381 (naturalengland. org.uk)	These atlases provide an "off the shelf" natural capital evidence base for each county or city region. They can be added to and built on. Set of downloadable documents on includes guidance on how to start using your atlas e.g. for stakeholder engagement, strategic planning e.g. NRNs, targeting specific conservation actions, GIS User guidance — how to download the data and add in your local data and map presentation Resources	2020 https://naturaleng-land.blog.gov. uk/2020/07/08/ forty-four-nat- ural-capi- tal-atlases-re- leased-across-eng-land/
Х	Х	Х	Х		Landscape Institute	Natural Capital Accounting - Technical Information Note 02/2018 (I)	18-2-Natural- Capital- Accounting-1.pdf (windows.net)	An introduction to the natural capital concept and the accounting process. Plus two case studies of natural capital accounts relevant to the land-scape profession.	2018
X	х				DEFRA/Scot- tish Govern- ment	Developing ecosystem accounts for protected areas in England and Scotland (I)/(C)	Defra, UK - Science Search	Pilot ecosystem accounts for a selected suite of protected area landscapes that consist of a variety of habitats and produce multiple ecosystem services.	2015
					Natural England	Managing Ecosystem Services Evidence Review (I)/ (T)	Managing Eco- system Services. Evidence Review (Formally Eco- system Services Transfer Toolkit NECR159) - JP033 (naturalengland. org.uk)	The MESER tool is a literature review of the effect of land management actions on the provision of ecosystem services. It is in the form of an interactive web portal with an accompanying User Guide.	2017

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sco	ENG	WAL	NI	IRL		Information (I)			
Х	х	х	х		Sharps et al	Comparing strengths and weaknesses of three ecosystem services modelling tools in a diverse UK river catchment (I)	https://www. sciencedirect.com/ science/article/	Compared three spatial ecosystem service tools: ARIES, InVEST and LUCI. Models were run for water supply, carbon storage and nutrient retention services. All three tools performed similarly, but have different strengths.	2017
					Vorstius and Spray	A comparison of ecosystem services mapping tools for their potential to support planning and decision-making on a local scale (I)	https://www. sciencedirect. com/science/ article/abs/pii/	Comparison and review of ecosystem services mapping tools. 3 tools (SENCE, InVEST, EcoServ-GIS) applied in a small Scottish catchment. Tools have different foci and compromise between usability and scientific accuracy. Users need to weigh requirements for their project to decide on the best tool.	2015
					Bagstad et al	A comparative assessment of decision- support tools for ecosystem services quantification and valuation (I)	https://www. sciencedirect. com/science/ article/abs/pii/	Review of 17 ecosystem services tools against eight evaluative criteria. Most tools are currently too resourceintense for routine use in publicand private-sector decision making.	2013
				Х	INCASE project (Irish Natural Capital Accounting for Sustainable Environments)	Resources: literature review (2019); feasibility report (2020); videos; workshops; papers; regular updates. (I)	https://www. incaseproject.com/ about	INCASE is developing natural capital accounts for four catchments; project will map the stocks and flows of ecosystem and geosystem services, highlight challenges, knowledge and data gaps, and recommend a framework to operationalise Natural Capital Accounting in Ireland.	2019-2023
				Х	MAIA (EU H2020 project)	A range of resources including papers; toolkits; mapping tools; videos; etc. (I)	https://maiaportal. eu/about	MAIA (Mapping and Assessment for Integrated ecosystem Accounting) aims to promote the mainstreaming of natural capital accounting in EU Member States and Norway. In MAIA, we use the United Nations System of Environmental Economic Accounting – Ecosystem Accounting (SEEA-EA) as the methodological basis for natural capital accounting (NCA). The project is being implemented in 11 countries, with 20 partners.	2019-2022
		х			Environment Systems Ltd	Natural Capital Accounting (I)	https://www. envsys.co.uk/pro- jects/natural-capi- tal-accounting/	A website compiled to inform the SoNaRR (State of Natural Resources Report) commissioned by the Welsh Government. Incorporates mapping and a country-wide assessment of the health and resilience of ecosystems and assessment of the extent to which Wales is sustainably managing its natural resources.	
		Х			William Stiles (Farming Connect 2021)	Using a natural capital approach to value land management approaches (I)	https://business- wales.gov.wales/ farmingconnect/ news-and-events/ technical-articles/ using-natural-cap- ital-approach-val- ue-land-manage- ment-approaches	Simple introduction to the Natural Capital concept for agricultural businesses in Wales	

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sco	ENG	WAL		IRL		Information (I)			
		Х			Rothero et al. 2018	Natural capital, ecosystem services and restoration potential of semi- natural habitats in Welsh floodplains. Natural Resources Wales Evidence Report No: 265 (I, C)	https://www. floodplainmead- ows.org.uk/sites/ www.floodplain- meadows.org. uk/files/NRW%20 Evidence%20Brief- ing%20FINAL.pdf	A preliminary study to establish the extent of different land uses and semi natural habitats in Welsh floodplains. It pilots a method for mapping the potential for recreation of species-rich grasslands able to deliver a larger range of ecosystem service benefits than intensive agricultural land uses, for a single catchment (Wye catchment).	



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