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Turkey, March 10, 2015





Outline

- 1. The policy agendas at national and global levels
- 2. Forest accounts in the context of NCA.
- 3. The accounting framework
- 4. Filling the tables
- 5. Where do we get the data from?
- 6. Valuation
- 7. A comment on data challenges

The forest policy agendas

National agendas

- Enhance revenues from forests managed as forests (REDD+)
- Include forest-based income in national income accounts
- Value forests for food security. Recognize forest-based ecosystem services as input to agriculture.
- Increase forest productivity (green infrastructure)
- Increase forest related activities productivity
- Value forests for adaptation
- Ensure that appropriation of forest resources is legal
- Ensure equitable distribution of forest resources
- Community forest management



Global agendas

- Mobilize finance for REDD+ and adaptation
- Support voluntary private sector commitments to responsible sourcing
- Remove subsidies for unsustainable biofuels
- Implement other demand-side policies to provide incentives for legal and sustainable production
- Legality assurance initiatives
- Green procurement programs

Forests in the context of NCA

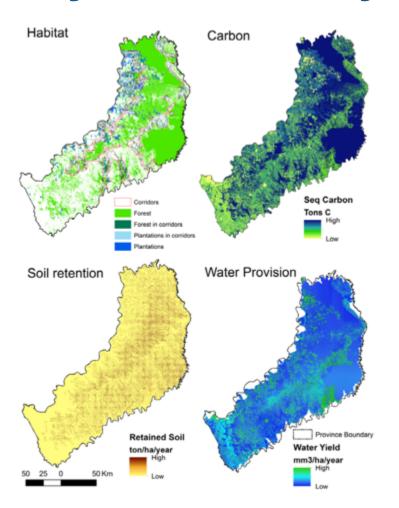


Why NCA?

Capital natural

Total wealth Flows of capital Capital producido Capital intangible Benefits (Economy)

Why forests? Why trees?



Misiones, Argentina and Fox Valley Metro Area, USA



What do we want to measure and how?





More consensus

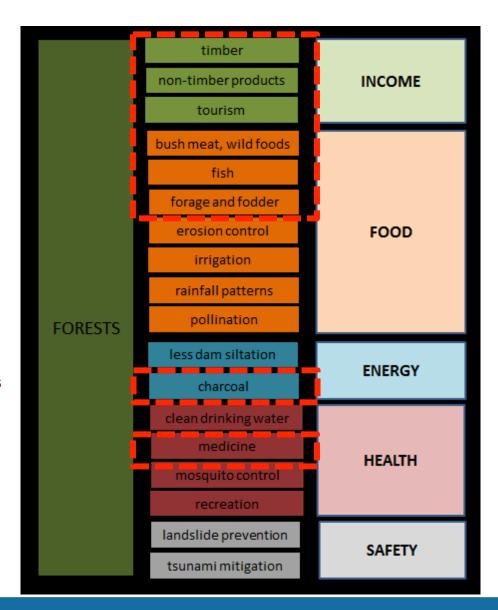
Two complementary perspectives



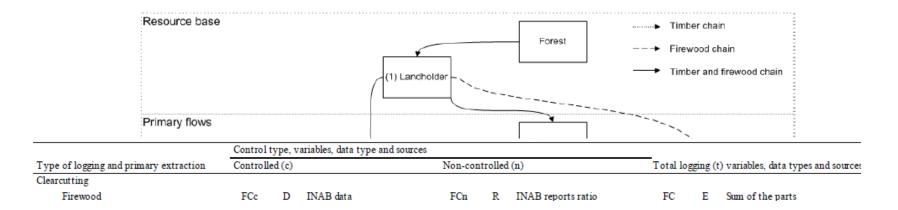
Less consensus

SEEA Ecosystem Accounting





The accounting framework



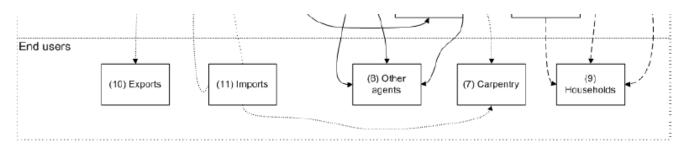
$$Ln = L - Lc$$

$$(Cn + Sn) = (Ct + St) - (Cc + Sc)$$

$$[(FCn+TCn)+(FSn+TSn)] = \\ [(FCt+TCt)+(FSt+TSt)] - [(FCc+TCc)+(FSc+TSc)]$$

$$Fn + Tn = Ft + Tt - Fc + Tc$$

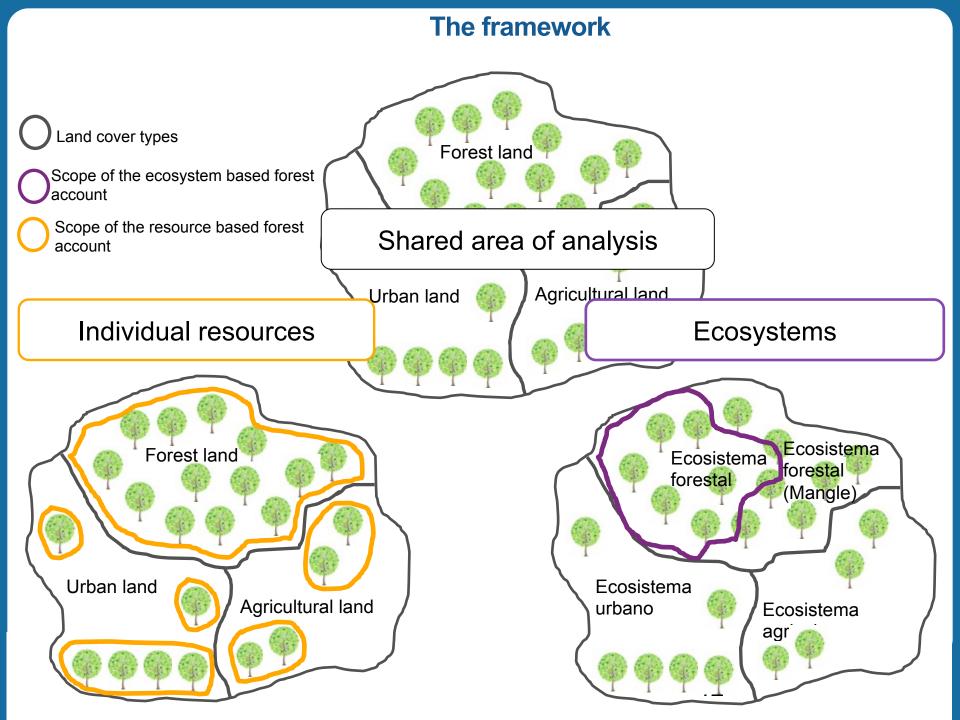
D = Direct source, O = Own estimations (survey, enterview or gis), E = Estimated as residual from identity or as the sum of the parts, R = Ratios obtained from direct sources



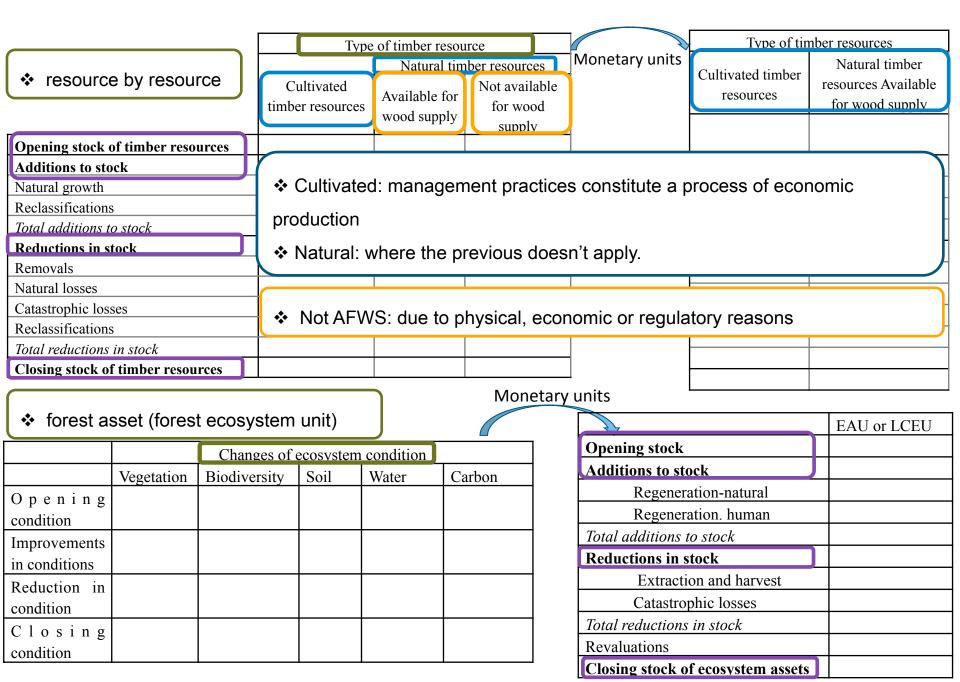
(a)

(c)

(d)



General structure of the forest accounts – ASSET ACCOUNTS



General structure of the forest accounts – FLOW ACCOUNTS

Table 6.9: Physical supply and use table for wood products, France, 1999 (timber, logs and wood in 1000 cubic metres; pulp, paper and waste in 1000 tons)

SUPPLY	Economic activities: suppliers							
Products	\$\frac{95920}{23162}\$ \$\frac{95920}{23162}\$ \$\frac{1451}{24613}\$ \$\displaystyle{\psi}\$ PHYSICAL UNITS: flow of materials and products / flow of ES \$\displaystyle{\psi}\$ MONETARY UNITS: aggregated value . \$\frac{1}{2}\$ \$\fr							

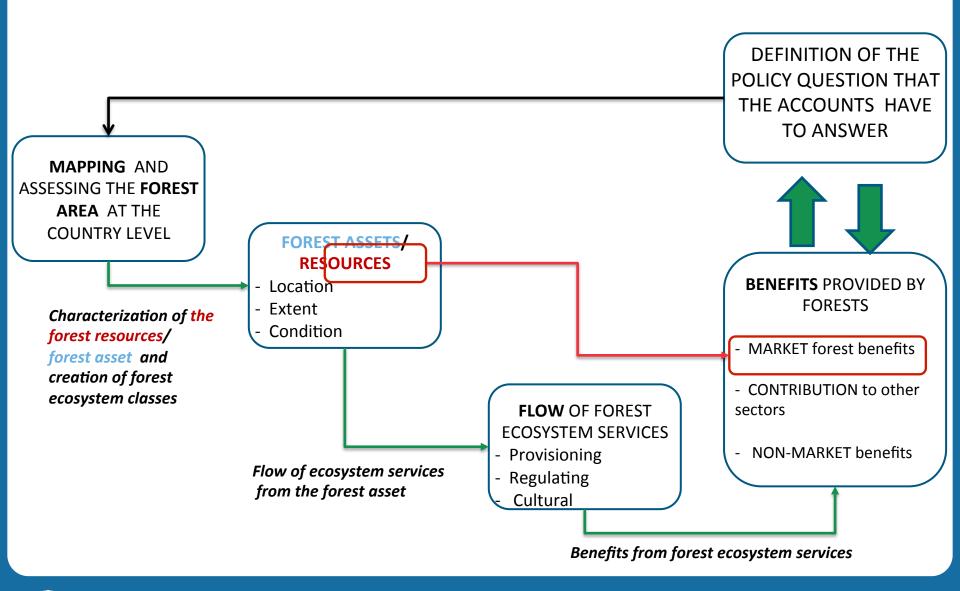
USE	Ecoi	nomi	c ac	tivit	ies:	inter	med	diate	e and	fina	l con	sume
	00202	23337						23337		20000	1276	24613
l N							2423	2423	28429		375	31227
1 5			10944					10944			1624	12568
4		7736					6076	13812			2695	16507
ı ≓				4372				4372			431	4803
							4465	4465			4167	8632
0		2265	2162				3431	7858			980	8838
				5276				5276			1028	6304
7												

	Suppliers				
Services			Consumer	`S	

Filling the tables



General steps to compile the accounts

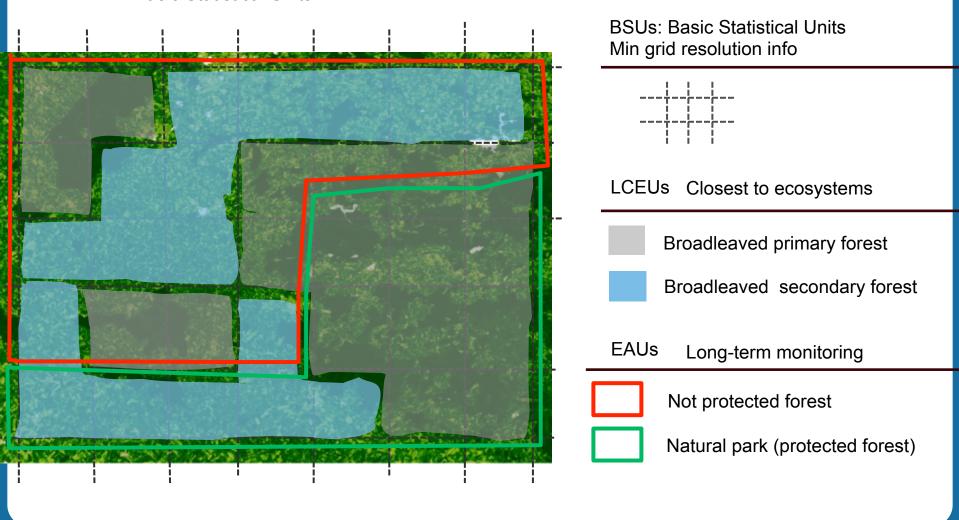


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Mapping of the forest area & ecosystems

Steps proposed by the EEA to define units to account for forest assets

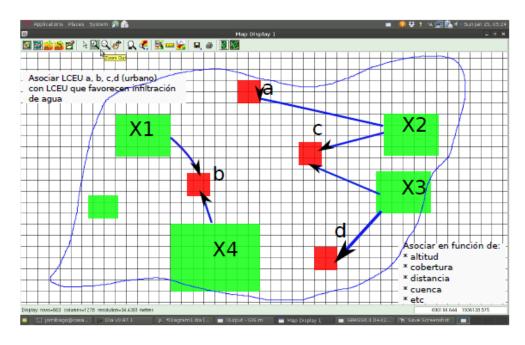
Basic Statistical Units



17

17

Spatial relationships between BSU



hacia	desde	flujo		
a	X2	f1		
b	X1	f2		
b	X4	f3		
С	X2	f4		
С	Х3	f5		

Flujo total = $\sum flujo$ Flujo hacia a = select sum(flujo) from table where hacia=a

Flujo desde X1 = select sum(flujo) from table where desde=X1



Indicators to characterize the forest ASSET

Forest land

Opening stock of forest and other wooded land Additions to stock • Afforestation • Natural expansion • Reforestation Reductions in stock • Deforestation

Closing stock of forest and other wooded

· Natural regression

land

- Afforested area (m²)
- Density (trees/ha)
- Area (m²)
- Reforested area (m²)
- Density (trees/ha)
- Deforested area (m²)

Defoliation

Aerosol pollutants

Area (m²)

Standing timber

Additions to stock

- Growth
- Timber in young trees (not considered in previous accounting period)

Litter fall measurements (kg)

Length of fragment edge

Ozone concentration Nitrogen deposition Sulfur deposition

Reductions to stock

- Tree harvest
- Tree losses

Closing stock of standing timber

- Natural growth of timber volume (m³)
- Volume in trees recently classified as timber (m³)
- Havested timber during the period (m³)
- Losses in timber volume due to fires, disease, catastrophic events, etc (m³)

Condition of forest ecosystems

	LAI-based indicator
Forest health	Presence of pathogens and plaguesStatus of barkMortality rate
Forest fires	Burnt area
Fragmentation	 % of forest area in categories (core, interior, connected, patchy) Effective mesh size
	 Size of forest fragments

Indicators to characterize the forest FLOWS

Provisioning services

- Timber
- Firewood/charcoal
- NTFP
- Genetic material
- Grazing

- Harvested timber (m3; m3/ha)
- Volume (m3)
- Volume (m³); Weight (kg; ton);
 Number of units
- Composition
- Diversity
- Number of animals in silvo-pastoral system
- · Weight units of produced animal product
- Energy uptake

Regulating services

- Atmospheric/climate regulation
- Water flow regulation
- Water cycle regulation
- Pollination
- Soil retention and formation

- Atmospheric/climate Net carbon storage (gains-losses)
 - · Canopy cover fraction in recharge areas
 - · Average daily and annual water flow in rivers
 - Cover in strategic locations (floodplains, steep slopes, wetlands, etc)
 - BOD
 - · Turbidity in waterways
 - · Abundance and variety of pollinator species
 - · Erosion rates
 - · Cover (or bare soil) fraction in vulnerable areas
 - · Turbidity in waterways

Cultural services

Division	Group	Class	Indicators
Physical and intellectual interactions with biota, ecosystems, and land- /seascapes	Physical and experiential interactions	Experiential use of plants, animals and land-/seascapes in different environmental settings. And physical use of land- /seascapes in different environmental settings	Distribution of wildlife/emblematic species associated with forest Important bird areas associated with forest Area of forest accessible for recreation Number of visitors Number of hunters
			Ecotourism operators Area of forests accessible for hunting
Intellectual and representative interactions		Scientific, educational, heritage, cultural, entertainment and aesthetic	Citations, distribution of research projects, educational projects, number of historic records Number/value of publications sold
Spiritual, symbolic and other	Spiritual and/or emblematic	Symbolic and sacred and/or religious	Distribution of sites of emblematic plants/forest Number of sites with recognised cultural & spiritual value Number of visitors
interactions with biota, ecosystems, and land- /seascapes	Other cultural outputs	Existence and bequest	Distribution of important areas for forest biodiversity and their conservation status Condition of forest-associated priority species on habitat and birds directives Distribution of sites with forest designated as having cultural values Number of visitors

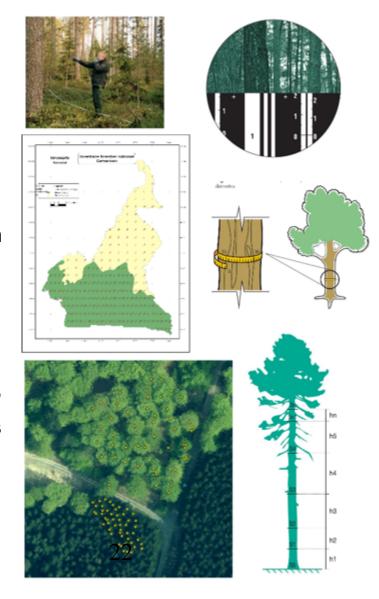
Where do we get the data from?

Where do we get the data from?

Forest inventories/forest statistics

Main features:

- The primary source of quantitative information on forest resources
- Based on statistical sampling
- Based on field surveying techniques
- Basis for planning and assessments at country, regional or global level (e.g. Forest Resources Assessment – FRA)

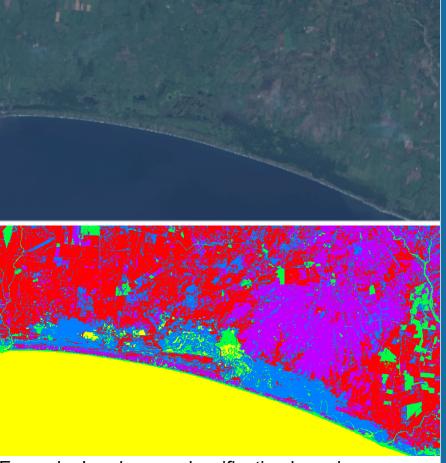


Where do we get the data from?

Spaceborne remote sensing

Why remote sensing?

- Dynamic data source of area covered by vegetation
- Identification of different vegetation types
- Upgrade forest inventories
- Information forest condition
- Geographical reference
- Constant technological development



Example: Land cover classification based on Landsat 8 imagery. Pacific coast; Guatemala

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Forest Modeling

Why modeling?

- Various indicators of forest assets and flows can not be measured directly.
- Particularly useful for deriving indicators of environmental services.
- ❖ Some examples are:
 - Wild fauna population
 - Erosion protection
 - Surface discharge
 - Carbon sequestration
 - Green area deficit in urban areas







Social Values for Ecosystem Services (SolVES)—Using GIS to Include Social Values Information in Ecosystem Services **Assessments**

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Other sources

- Livelihood surveys
- Population census
- Other statistics, reports, spatial databases
- etc.
- SNA → validate
- Global forest

watch (?)

Table 6. Number of households in survey consuming each type of renewable energy.

Village class	Sample	Fire-	Char-	Plant	Animal	Biogas	Solar
village class	size	wood	coal	residues	dung		panel
LOA	406	395	35	250	40	0	0
LOF	276	275	29	192	10	0	1
RAF	29	29	5	25	1	0	0
UPA	37	37	7	22	0	0	0
LOG	162	147	83	115	5	1	0
UG	351	202	248	324	3	0	0
National total	1261	1085	407	928	59	1	1

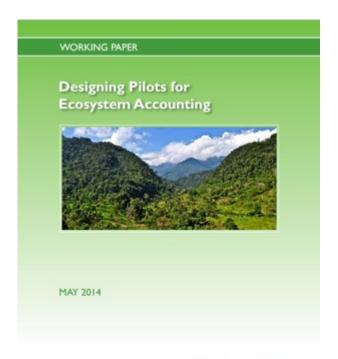
Source: Mustonen, S.; Raiko, R.; Luukkanen, J. Bionergy consumption and biogas potential in Cambodian households. Sustainability. 2013 (5) 1875-1892 doi:10.3390/su5051875

Valuation

What type of valuation?

Type

of Valuation







https://www.wavespartnership.org/sites/waves/files/documents/PTEC2%20-%20Ecosystem.pdf

Ecosystem of	Valuation Method	Short Description
Service	Wethod	
Provisioning services	Unit resource rent	Producer's surplus is calculated net of labor and man-made capital inputs and adjusted for taxes and subsidies. The value will vary depending on the associated structure of property rights. In the case of open access, it is important to include calculations for different institutional settings, to understand the potential value of the service.
Regulating	Production	The contribution of ecosystem services to
services	function method	production processes are valued by estimating their contribution to the value of the final product when sold on the market (i.e., net of labor and capital costs).
	Damage costs	The value of production losses or damages due to degradation or loss of ecosystem services can be used as estimates of the value of these services.
Cultural services	Travel cost method	The amount that consumers are willing to pay for goods and services related to visits to recreational sites can be used as a proxy for the value of the ecosystem and its attributes.
	Hedonic pricing	This involves disentangling the part of the price that people pay for marketed products or assets that can be attributed to the local ecosystem services.
	Production function	Similar to regulating services, the value of cultural services can be disentangled from the value of marketed products. An example is to estimate the part of the value added of the tourism sector that can be attributed to the ecosystem.

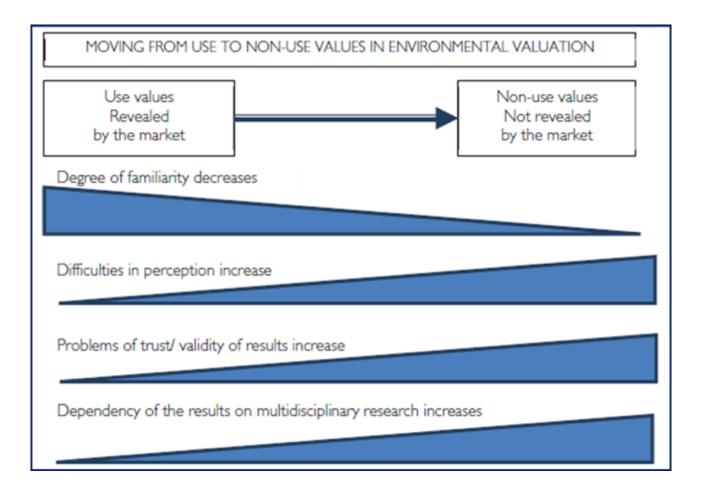
Short Description

Main principles

Not to include consumer surplus in the valuation of ecosystem services. However, it is appropriate to use the change in consumer surplus (=price) times quantity, since this will provide a marginal price. The production function approach or damage costs avoided approach are suitable methods to use.



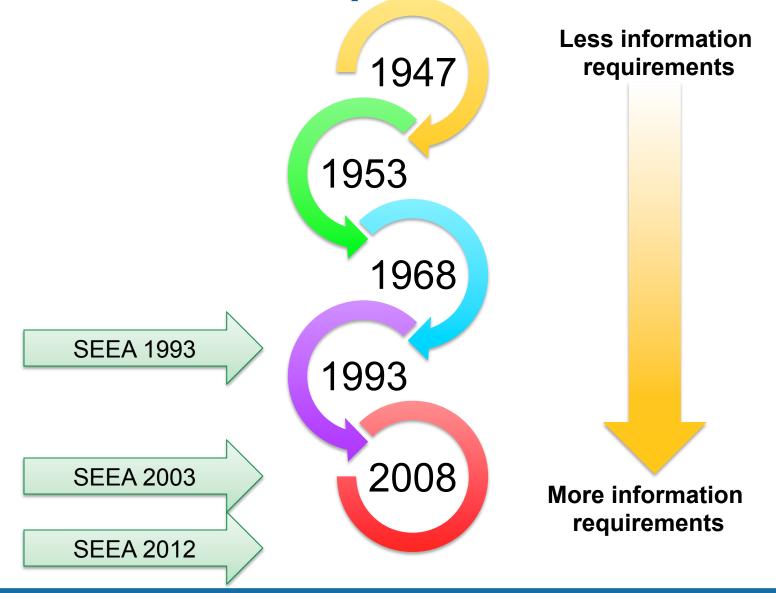
Credibility is the key to valuation?



A comment on data challenges

Based on Seymour, 2014

Give time to development...





Information on forests has never been better...

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- whip to D.E. and a 16H positivitoral followship to C.E.E. All DNA-sequencing reads generated in this study

under the accession res. SESASSE21. The genome assembles are available at the National Conter for Eletachoology Information under BioProject PRENASTE213. We thank 2. Walten and A. Gorchaine for technical assistance.

Supplementary Materials sers sciencemag.org/content/142/6160846/supp90C1 Materials and Methods Supplementary Test

Figs. S1 to S20 Tables S1 to S3 References CON-Coll

23 April 2013; accepted 30 September 2013 18.1136Aclanca.1219952

High-Resolution Global Maps of 21st-Century Forest Cover Change

M. C. Hansen, ¹ e. F. V. Potapov, ¹ R. Moore, ² M. Hancher, ² S. A. Turubanova, ¹ A. Tyukavina, ¹ D. Thau, ² S. V. Stehman, ⁵ S. J. Goetz, ⁶ T. R. Loveland, ⁵ A. Kommareddy, ⁶ A. Egorov, ⁶ L. Chini, ¹ C. O. Justice. 1 J. R. G. Townshend1

Quantification of global forest change has been lacking despite the recognized importance of forest ecosystem services. In this study, Earth observation satellite data were used to map global forest loss (2.3 million square kilometers) and gain (0.8 million square kilometers) from 2000 to 2012 at a spatial resolution of 30 meters. The tropics were the only climate domain to exhibit a trend, with forest loss increasing by 2101 square kilometers per year. Brazil's well-documented reduction in deforestation was offset by increasing forest loss in Indonesia. Malaysia, Paraguay, Bolivia, Zambia, Angola, and elsewhere, Intensive forestry practiced within subtropical forests resulted in the highest rates of forest change globally. Boreal forest loss due largely to fine and forestry was second to that in the tropics in absolute and proportional terms These results depict a globally consistent and locally relevant record of forest change.

hanges in forest cover affect the delivery plete removal of tree cover canopy at the Landsat of important occeystem services, including biodiversity richness, climate regulation, carbon storage, and water supplies (1). However, spatially and temporally detailed information on global-scale forest change does not exist; previous efforts have been either sample-based or employed coarse spatial resolution data (2-4). We mapped global tree cover extent, loss, and gain for the period from 2000 to 2012 at a spatial and subsequent gain in forest cover during the resolution of 30 m, with loss allocated annually. Our global analysis, based on Landsat data, im- related to tree cover density for global climate proves on existing knowledge of global forest extent and change by (i) being spatially explicit; (ii) quantifying gross forest loss and gain; (iii) providing annual loss information and quantifying trends in forest loss; and (iv) being derived through an internally consistent approach that is exempt from the vagaries of different definitions, methods, and data inputs. Forest loss was defined as a stand-replacement disturbance or the com-

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pixel scale. Forest gain was defined as the inverse of loss, or the establishment of tree canopy from a nonforest state. A total of 2.3 million km2 of forest were lost due to disturbance over the study period and 0.8 million km2 of new forest established. Of the total area of combined loss and gain (2.3 million km2 + 0.8 million km2), 0.2 million km2 of land experienced both loss study period. Global forest loss and gain were domains, economes, and countries (refer to tables. SI to S3 for all data references and comparisons). at full resolution at http://earthonginepartners. appspot.com/science-2013-global-forest.

The tropical domain experienced the greatest total forest loss and gain of the four climate domains (tropical, subtropical, temperate, and boreal), as well as the highest ratio of loss to gain (3.6 for >50% of tree cover), indicating tropics were the only domain to exhibit a statisrate of tropical forest loss, due to deforestation zone was four times that of South American

dynamics in the Chaco woodlands of Argentina Pumpusy (Fig. 2A), and Bolivia. Eurasian minforests (Fig. 2B) and dense tropical dry forests of Africa and Eurasia also had high rates of

Recently reported reductions in Brazilian rainforest clearing over the past decade (5) were confirmed, as annual forest loss decreased on average 1318 km²/year. However, increased annual loss of Eurasian tropical rainforest (1392) km /year), African tropical moist decidaous forest (536 km²/year), South American dry tropical forest (459 km /year), and Eurasian tropical moist decidaous (221 km³/year) and dry (123 km³/year) forests more than offset the slowing of Brazilian deforestation, Of all countries globally, Brazil exhibited the largest decline in annual forest loss. with a high of over 40,000 km focus in 2003 to 2004 and a low of under 20,000 km²/year in 2010 to 2011. Of all countries globally, Indonesia exhibited the largest increase in forest loss (1021 km/your), with a low of under 10,000 km/your from 2000 through 2003 and a high of over 20,000 km /year in 2011 to 2012. The converging rates of forest disturbance of Indonesia and Brazil are shown in Fig. 3. Although the short-term decline of Brazilian deforestation is well documented, changing legal frameworks governing Brazilian forests could reverse this trend (6). The effectiveness of Indonesia's recently instituted moratorium on new licensing of concessions in primary natural forest and poutlands (7), initiated in 2011, is to be determined.

Subtropical forests experience extensive forestry land uses where forests are often treated as a Results are depicted in Fig. 1 and are viewable crop and the presence of long-lived natural forests is comparatively rare (F). As a result, the highest proportional losses of forest cover and the lowest ratio of loss to gain (1.2 for >50% of tree cover) occurred in the subtropical climate domain. Aggregate forest change, or the proportion of total forest loss and gain relative to year-2000 forest area [(loss+gain)/2000 forest], equaled 16%, the prevalence of deforestation dynamics. The or more than 1% per year across all forests within the domain. Of the 10 subtropical humid and dry tically significant trend in annual forest loss, with forest economes, 5 have aggregate forest change an estimated increase in loss of 2101 km /vear. >20%, three >10%, and two >5%. North Armen Tropical rainforest economes totaled 32% of ican subtropical forests of the southeastern United global forest cover loss, nearly half of which oc- States are unique in terms of change dynamics carred in South American rainforests. The trop- because of short-cycle tree planting and harvestical dry forests of South America had the highest ing (Fig. 2C). The disturbance rate of this eco-

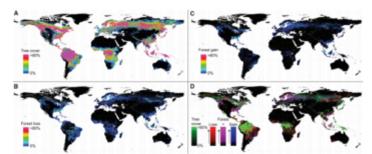


Fig. 1, (A) Tree cover, (E) forest loss, and (C) forest gain, A color composite of tree cover in green, forest loss in red, forest gain in blue, and for display purposes from the 30-m observation scale to a 0.05° geoforest loss and gain in magenta is shown in (D), with loss and gain en-graphic grid.

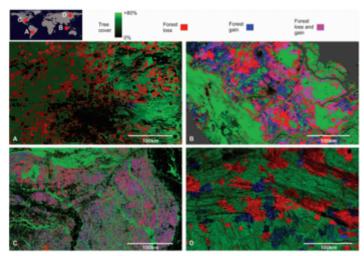


Fig. 2. Regional subsets of 2000 tree cover and 2000 to 2012 forest loss and gain. (A) Paraguay, centered at 21.9°5, 59.8°W; (B) Indonesia. centered at 0.4%, 101.5%; (C) the United States, centered at 33.8%, 93.3%; and (D) Russia, centered at 62.1%, 123.4%

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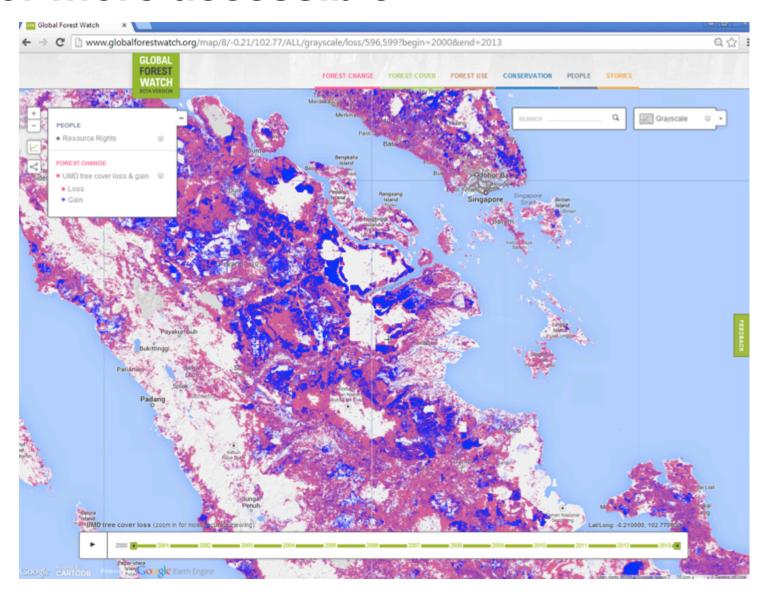
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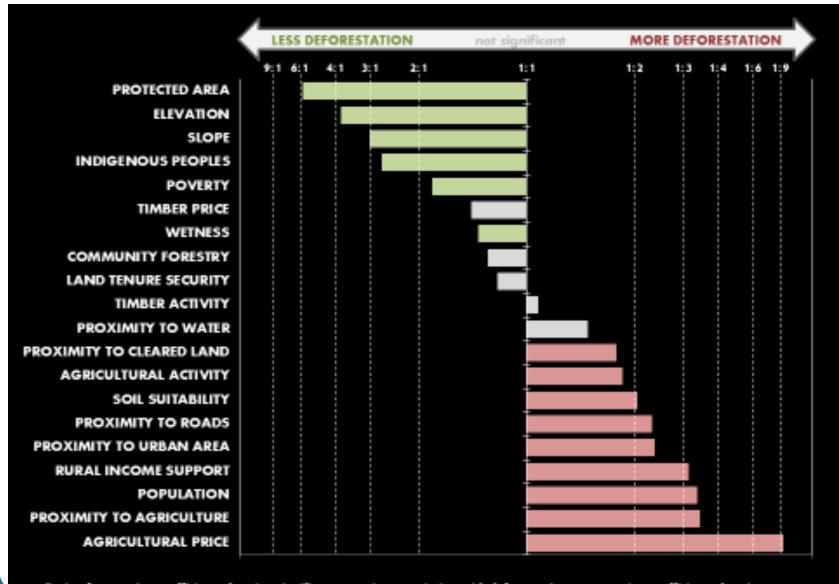
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...or more accessible





We know what drives forest change...

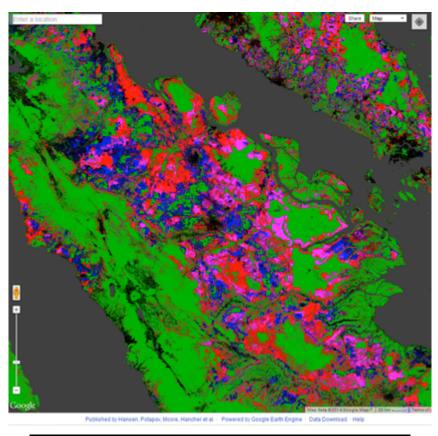


Ratio of regression coefficients showing significant negative association with deforestation to regression coefficients showing significant positive association with deforestation, based on \$600 regression coefficients in 117 spatially explicit econometric studies. Source: Ferretti-Gullen and Busch, CGD Working Paper #361 (2014)



...and can track and respond to change





High temporal resolution for near real-time monitoring and response

High spatial resolution for accurate measurement of annual deforestation



W.

Thank you!