

## SESSION DESCRIPTION

### ID: T16a

Ecosystem service valuation to identify investment opportunities, risks, and stakeholders:  
Experiences from case studies

#### Hosts:

	Title	Name	Organisation	E-mail
Hosts:		Vince van 't Hoff	FSD	<a href="mailto:vince.vanthoff@fsd.nl">vince.vanthoff@fsd.nl</a>
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Others:		Wijnand Broer	Crem	
		Caroline van Leenders	Dutch Enterprise Agency (RVO)	
		Roel Nozeman	ASN bank	
		Peter Roebeling	Wageningen Economic Research (WEER)	

#### Abstract:

After several case studies with financial institutions, the **Ecosystem Service Valuation Database (ESVD)** development team has gained insights in aligning the monetary valuation of ecosystem services with impact assessments and risk analysis of financial institutions. Through their investments, **financial institutions** can be heavily dependent on ecosystem services and therefore, deterioration of nature causes risks for financial institutions: physical risks, transitional risks and reputational risks.

In several case studies, we assessed (possible) investments in land cover changes and how these land cover changes impact the **flow of ecosystem services** by means of **monetary valuation** using the ESVD. These case studies shed a new light on the importance of providing a place for nature on the equation of financial assessments, on the link between risk categories and ecosystem services and on the monetary impacts of financial investments on ecosystems.

One of the most important take-aways of these case studies is the understanding that different land covers and the corresponding difference in monetary value of ecosystem services (market vs non-market) are not distributed evenly. The ecosystem services benefits and losses therefore pinpoint to the direction of which **stakeholders** (private/public) are impacted. Subsequently, this delivers insights in **the risks and opportunities for financial institutions** which provides a direction of (needed) change towards sustainable management of ecosystems.

The case studies underline urgency and they support the development for financial institutions, businesses and policy makers to create new financial products, different PES mechanisms, as well as creating a larger and much broader stakeholder engagement.

### Goals and objectives of the session:

Overall objective is to give a taste of the possibilities of using monetary valuation data in impact assessments for financial institutions, governments and other organizations, and the relevance and the importance of doing so. We would like to discuss the significance of stakeholder engagement, the why of integration of monetary valuation in decision-making and possible future developments.

### Specific objectives:

- Present the methodology of the case studies and discuss the interpretation of the results, of assessing the impact that financial investments have on land cover change and ecosystem services using the ESVD, from different perspectives (science, business and financials). *By FSD & ASN*
- Present and discuss the integration of monetary valuation in the current risk assessment methods from financial institutions, the progress that has been made by the Partnership for Biodiversity Accounting Financials (PBAF) and what steps are to be taken in the near future. *By Crem*
- Discussion on the engagement of the variety of stakeholders influenced by this type of financial decision-making and the needed development of new policy. *By RVO*
- Discussion on the needed next developments to improve monetary valuation methodologies for risk and impact assessments such as value transfer functions. *By WECR*

### Planned output / Deliverables:

Understanding of how monetary valuation of ecosystem services provides a language for including nature in impact assessments and cost-benefit analyses

Develop a 2-pager on ecosystem services and how it informs stakeholder engagement for a better due diligence and blended finance products

Publish the rapport: Ecosystem Services in the ASN Biodiversity Fund

Development/ application of Value transfer functions within projects: TEER and Koevoet

### Session format:

Other (Presentations with subsequent discussion forum)

### Voluntary contributions accepted:

Yes, I allow any abstract to be submitted to my session for review

### Related to ESP Working Group/National Network:

Thematic Working Groups: TWG 16 – ES Financing mechanisms