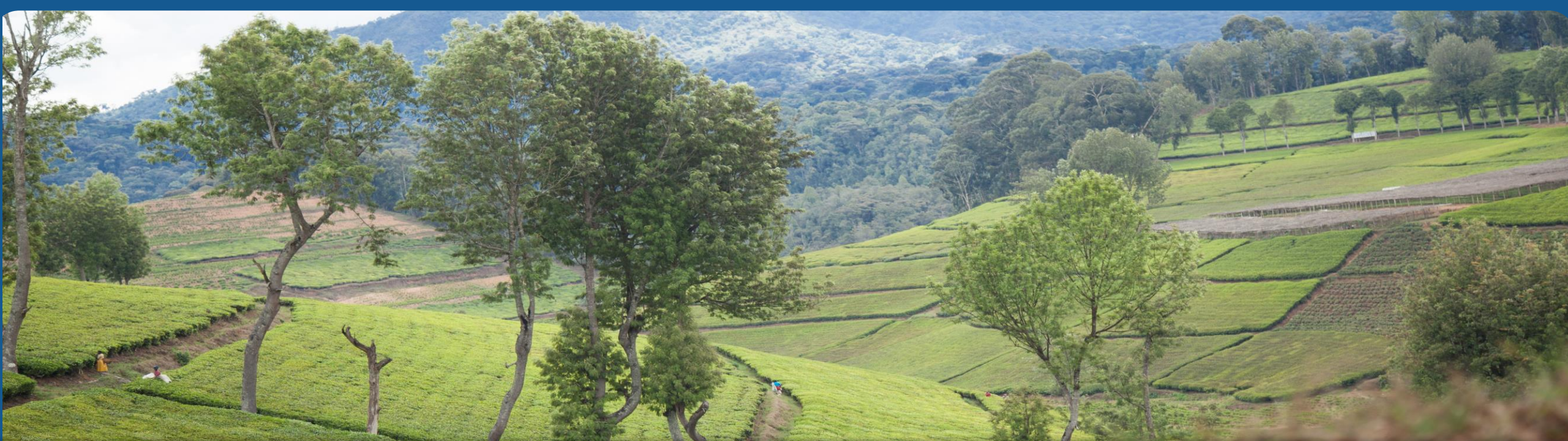


# Insights and Lessons Drawn from the Existing Work

**Raffaello Cervigni**

Lead Environmental Specialist, World Bank



# Natural capital accounting at the national level: from WAVES to the GPS Program

Raffaello Cervigni – May 2019

# Outline

## 1. Global level work

- Analytics: the Changing Wealth of Nation (CWON) 2018
- Outreach and knowledge sharing

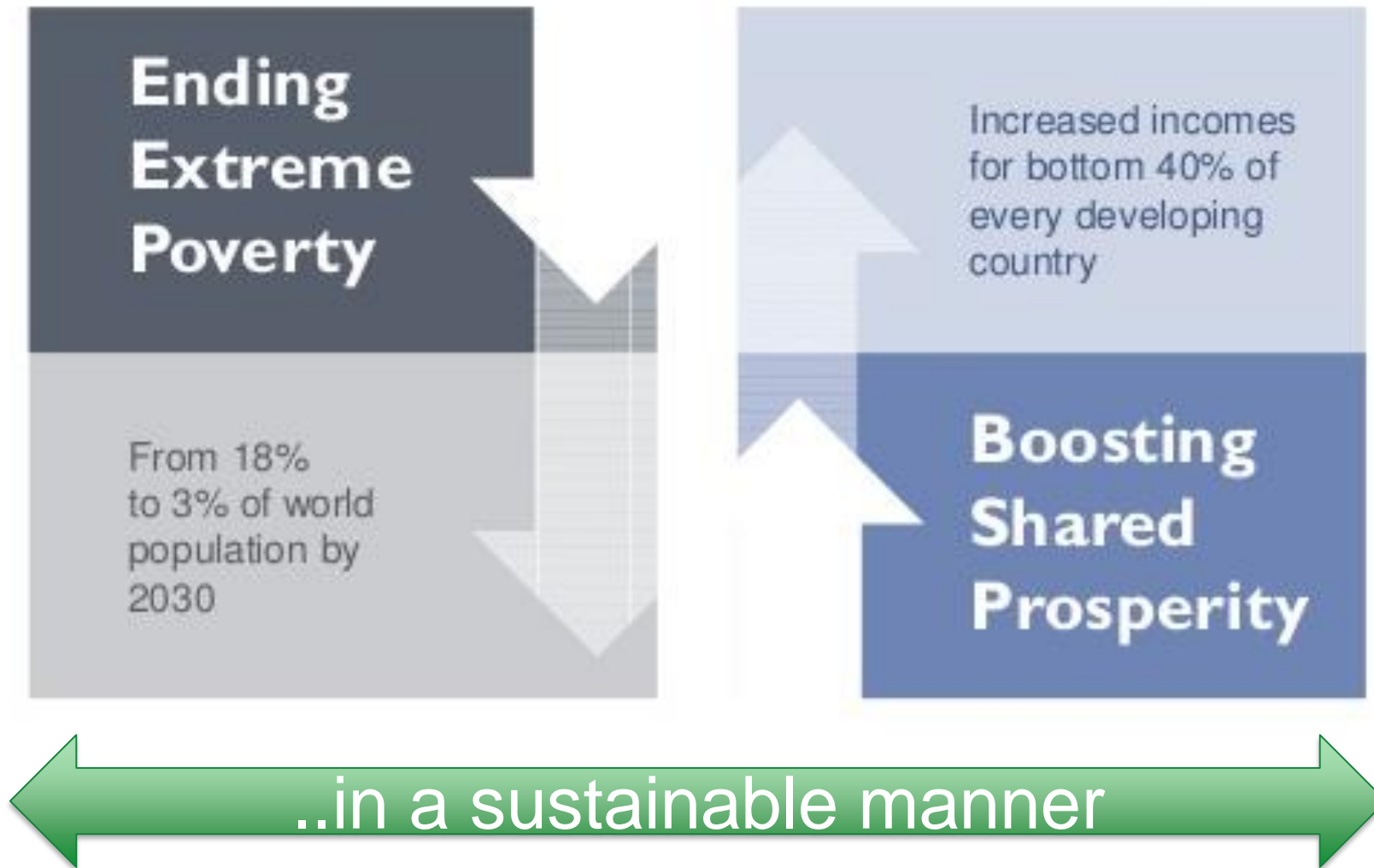
## 2. Country level work

- Scaling up accounts development
- Making progress towards application

## 3. Way forward

- Lessons Learned
- The Global Program for Sustainability (GPS)

# Context: the World Bank goals

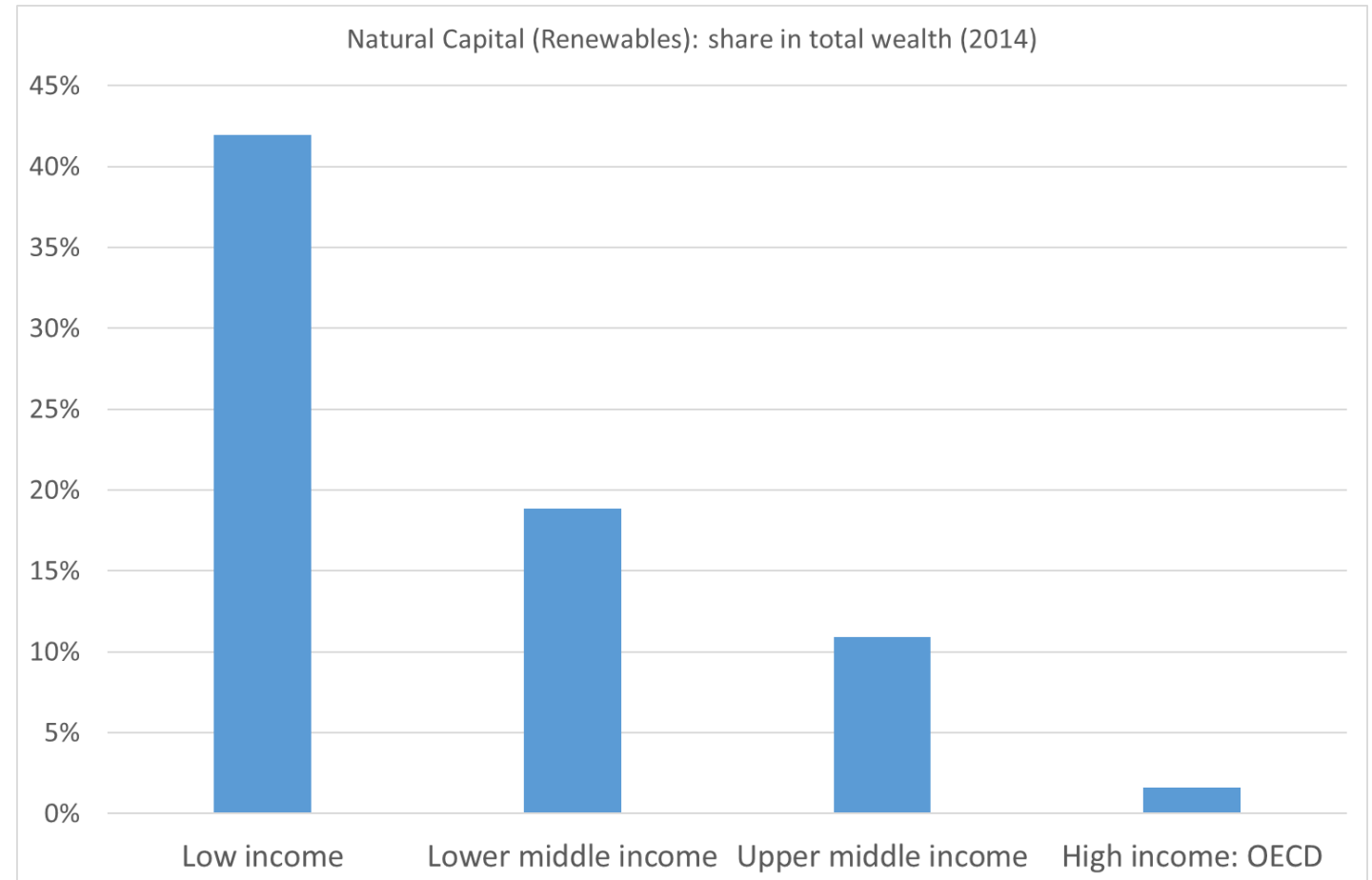
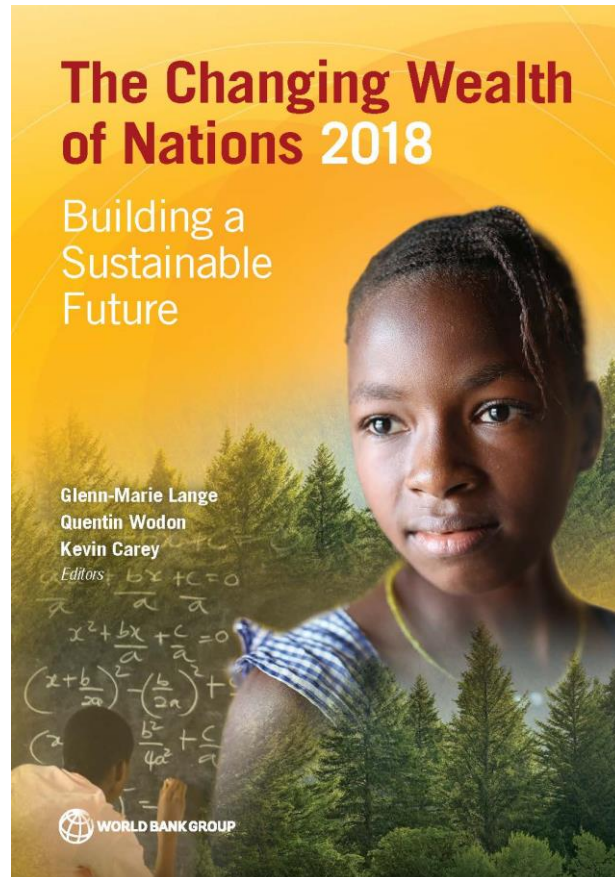


# 1. Global Work



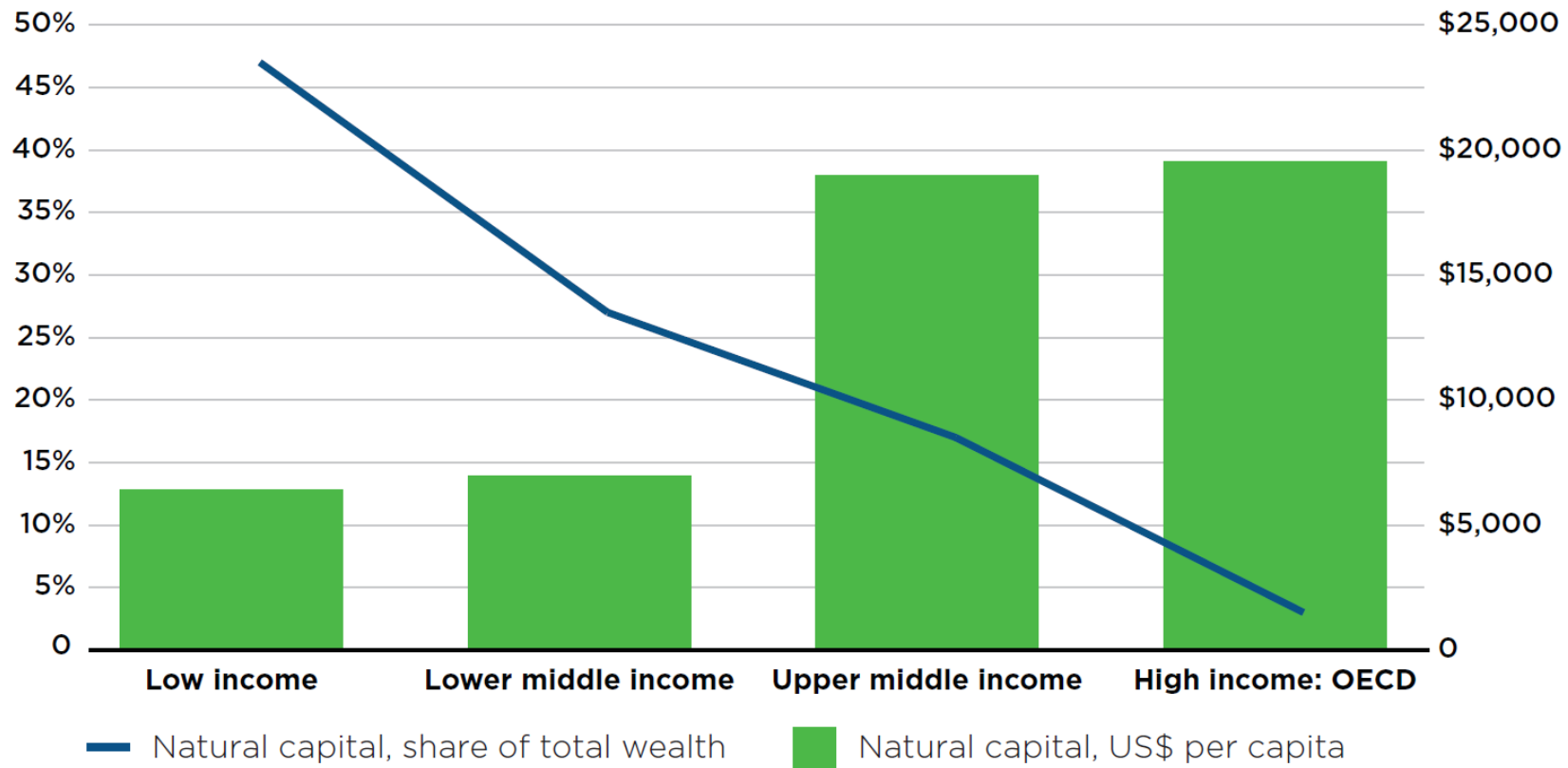


# Quantifying the role of natural capital in the development process: a key asset for lower income countries...

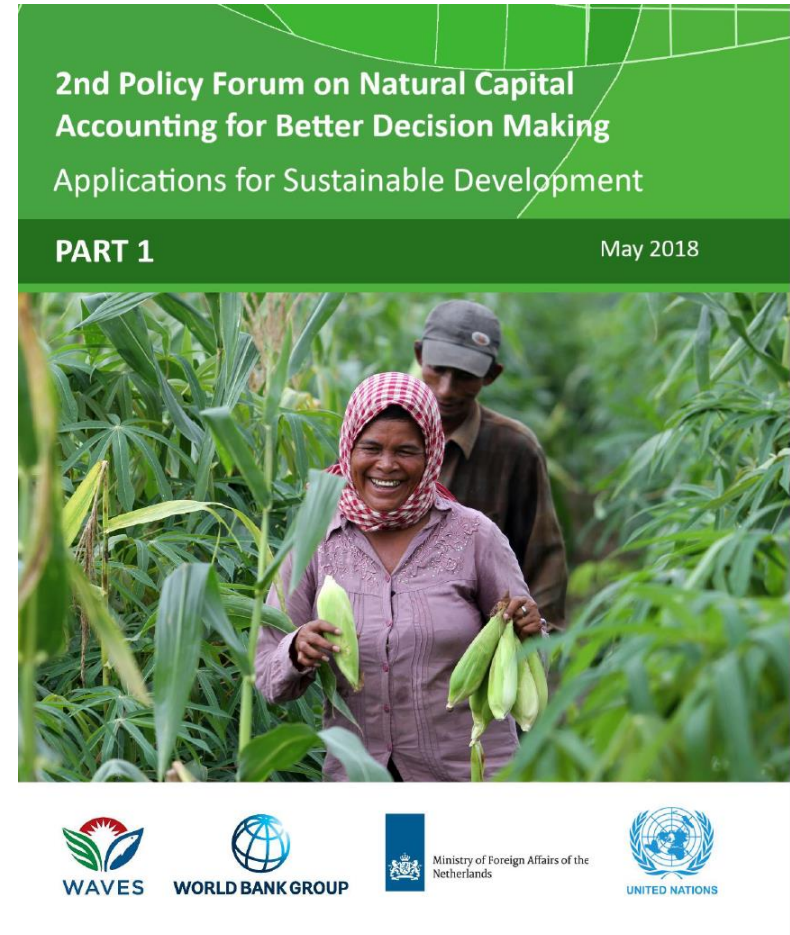
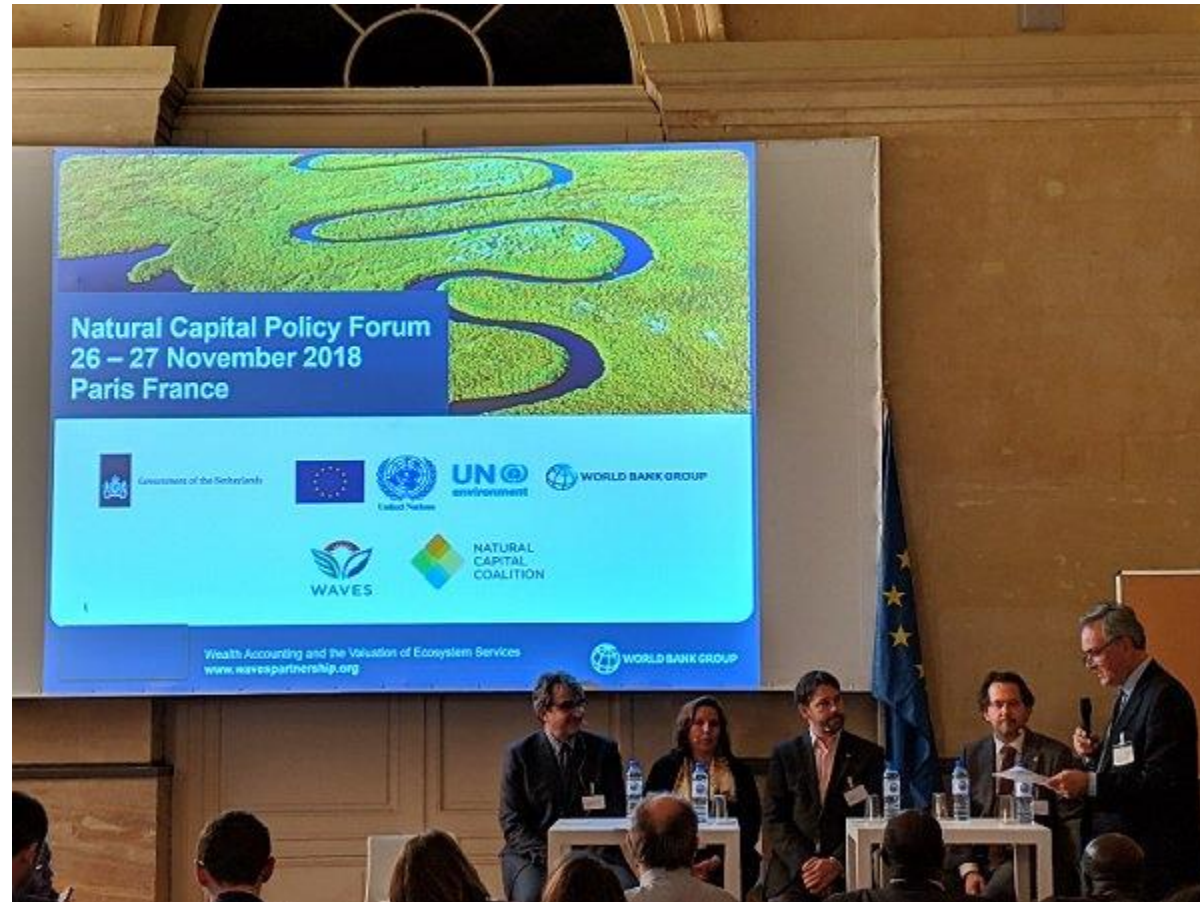


# ..growing in per capita terms as countries develop

Share vs Per Capita Value (US\$) in 2014



# Supporting consultation, knowledge sharing and standard setting (including revision of SEEA)

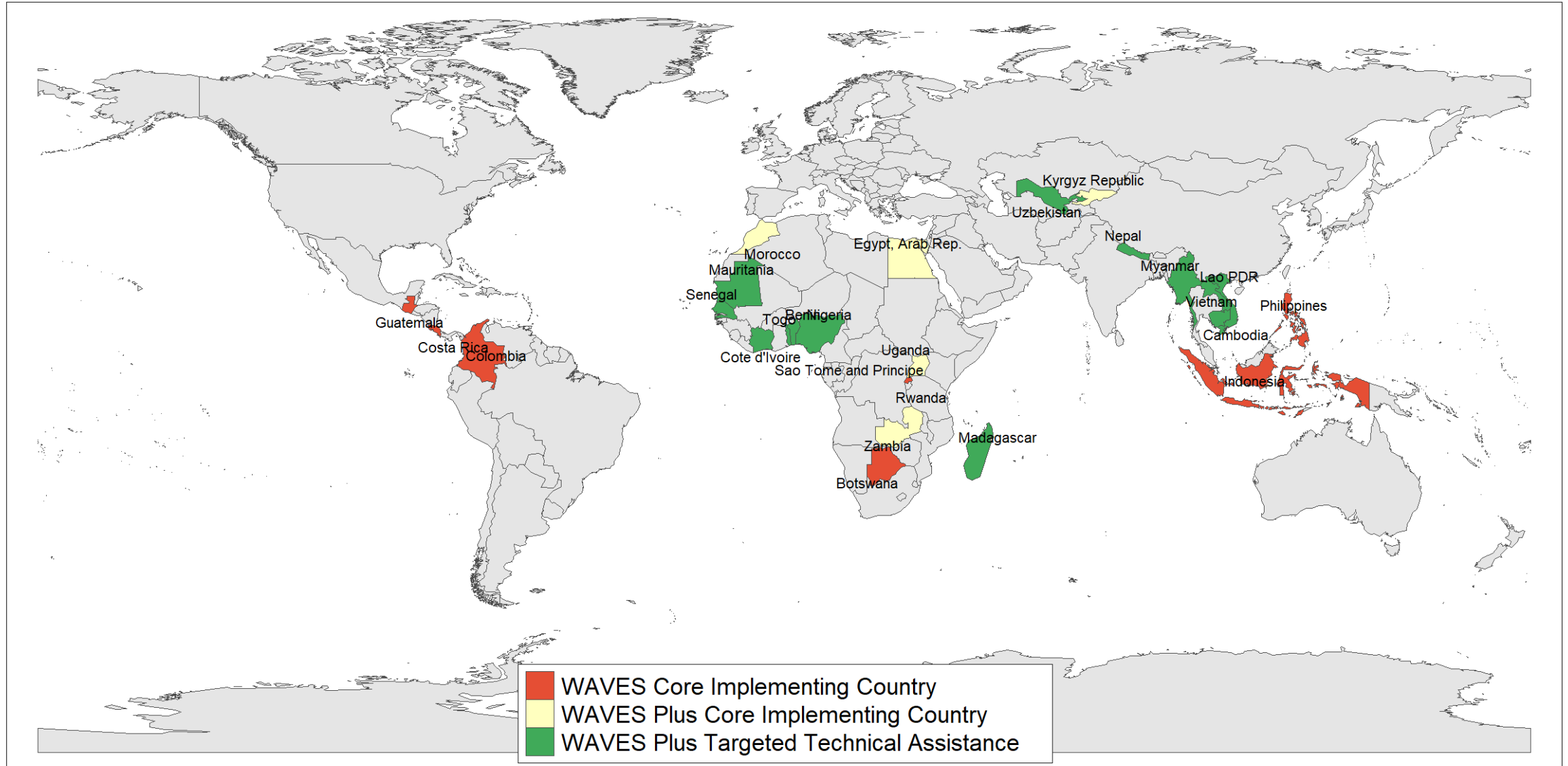




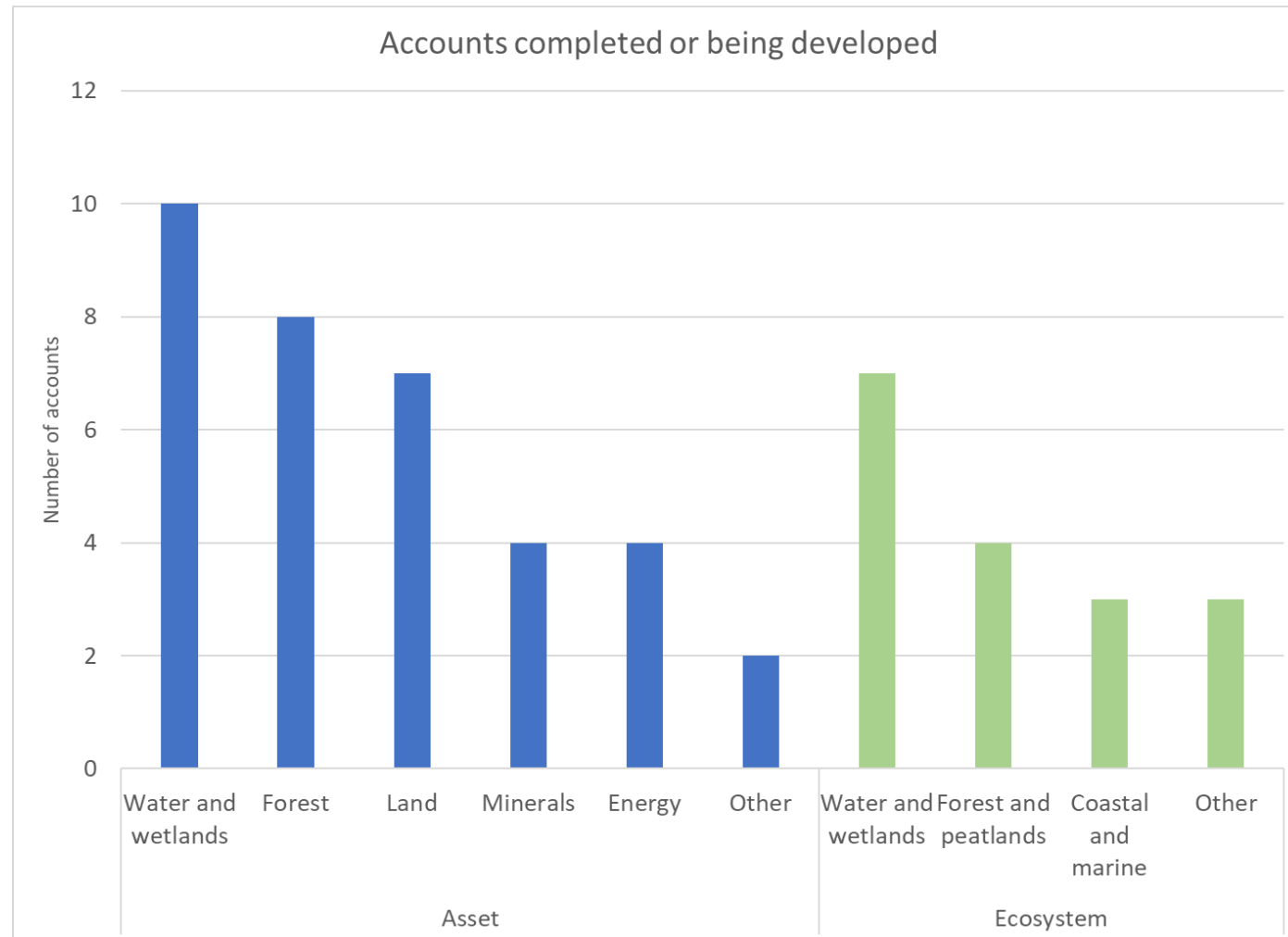
## 2. Country level engagement



# WAVES engaged in 26 countries



# Over 50 accounts produced following SEEA: more assets but growing interest in ecosystem services



# Supporting the use of NCA in the policy making processes: a few examples

- **Rwanda**

- Land use and land cover account are being used for land use planning (Land Administration Information System LAIS)
- Water accounts are helping evaluate water use efficiency across sectors

- **Indonesia**

- Use of wealth accounts as inputs for macro-modeling of carrying capacity and green growth
- The use of peatland accounts is being discussed for defining priority for restoration efforts

- **Zambia**

- Forest accounts: inputs for the World Bank's programmatic forest landscape investment
- Water accounts: will support the implementation of the Integrated Water Resource Management System

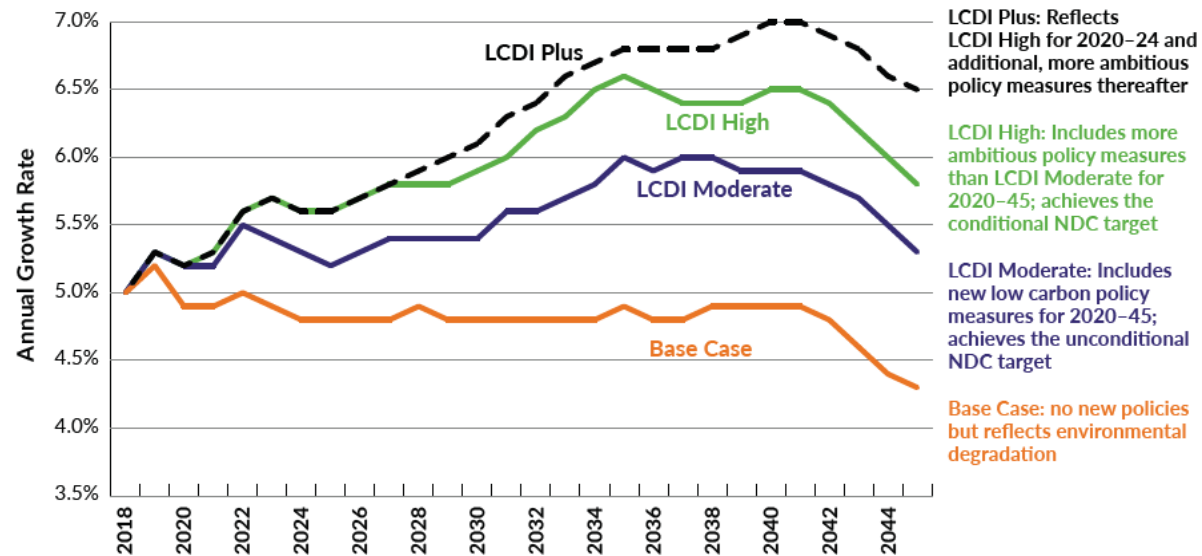
- **Guatemala**

- Land and ecosystem accounts used as input to the analysis of the effects of climate change on forests

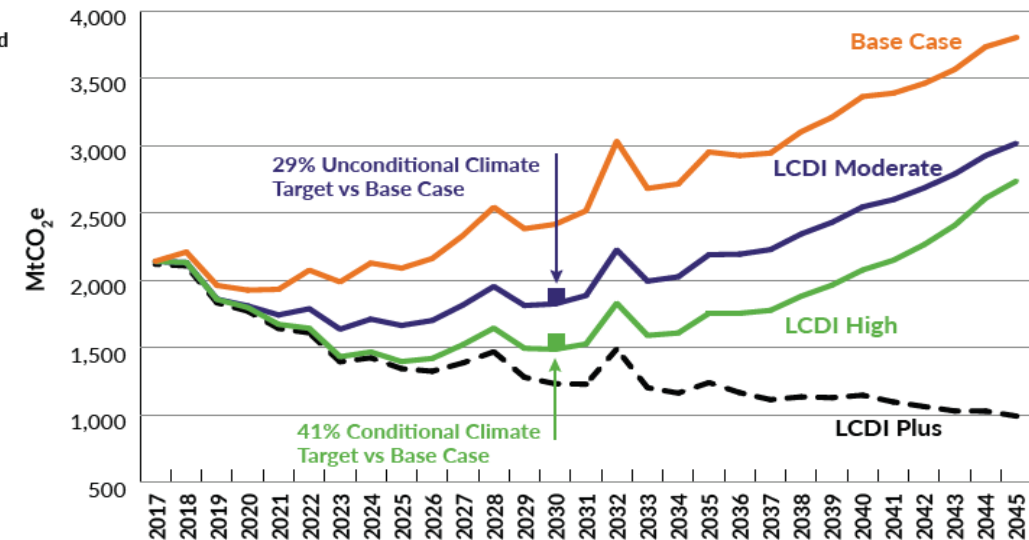


# Indonesia: NCA is supporting assessment of low carbon development

## GDP Growth Trajectories



## CO2 Emissions Trajectories



# Institutionalizing NCA: graduated countries show the way

## Botswana

- Specific NCA mandate in National Development Plan
- Lead agency: Ministry of Finance and Economic Development; dedicated unit of 13 staff
- Regular update of accounts started with WAVES (e.g. Water, Energy, Minerals, Macro-economic indicators)

## Costa Rica

- National Council for Environmental Accounts established; Central Bank (BCCR) leads
- Regular update of water, forest and energy accounts; material flow and selected ecosystem accounts forthcoming

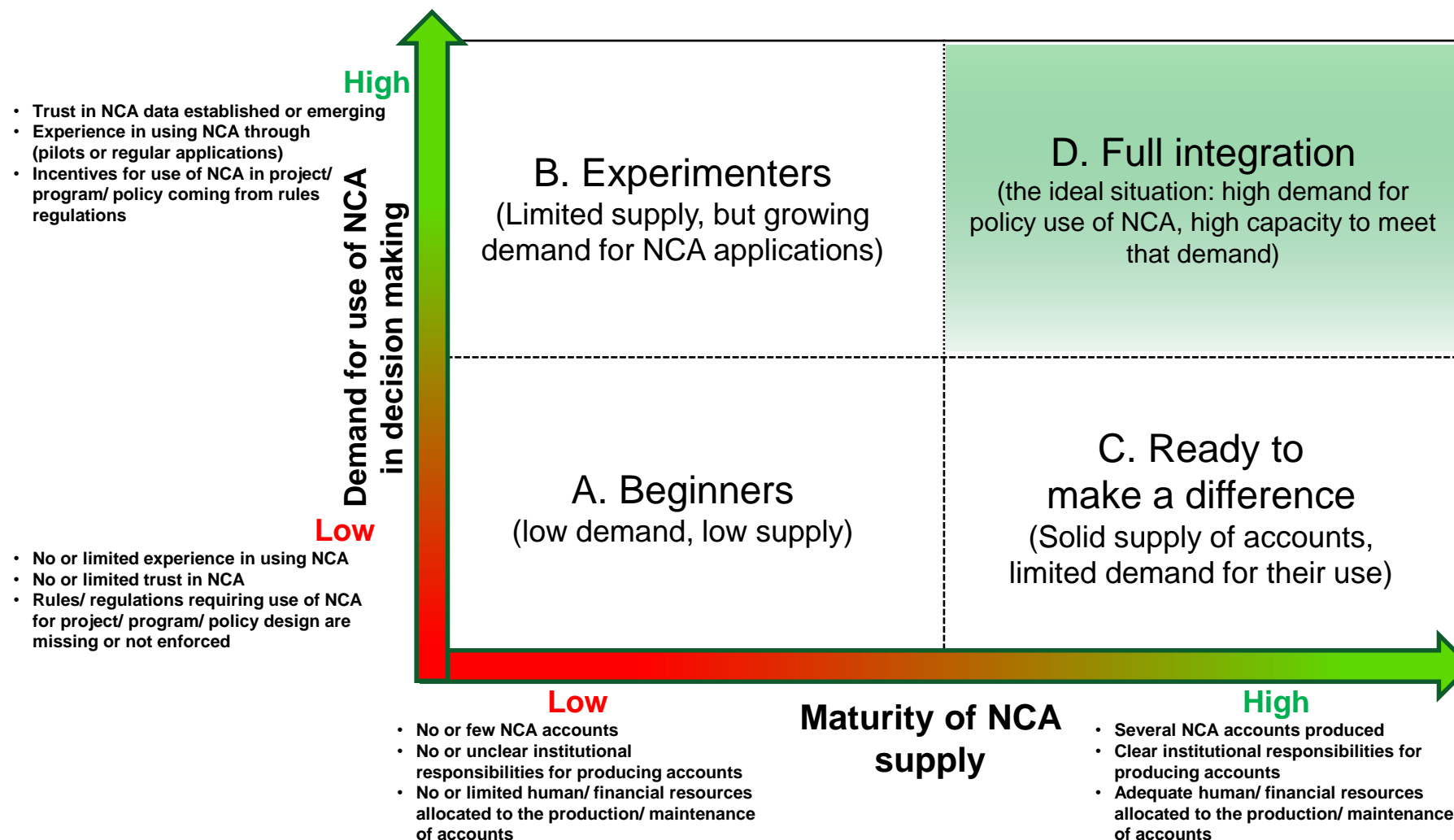
## Colombia

- Government decree in 2017 requires the Statistics Department (DANE) to work with all sectors to produce/ update accounts
- Regular update of Wood and land resources, minerals/ energy; and flow accounts (e.g. water, forests products)

### 3. Way forward

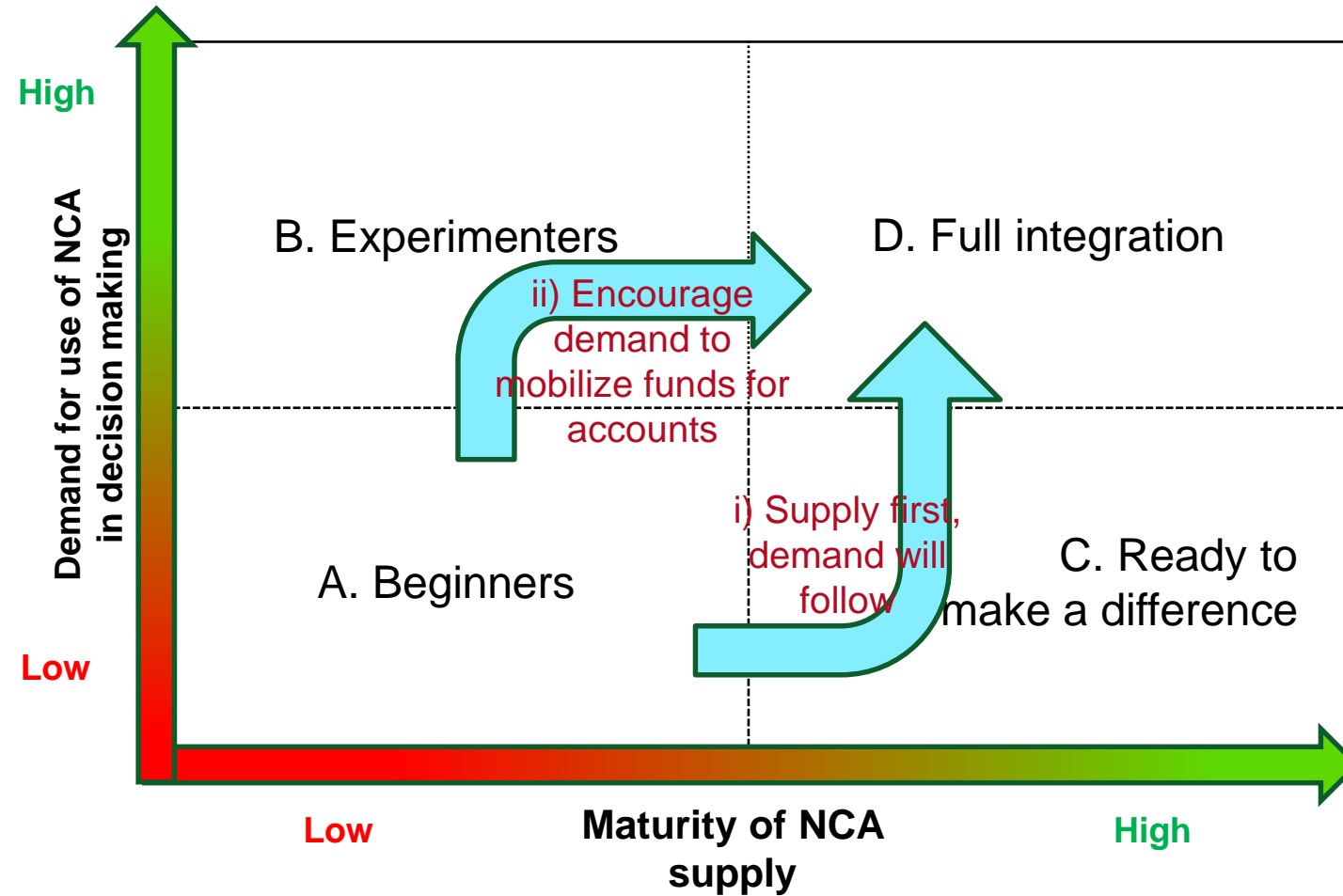


# Institutionalizing NCA: it takes both demand and supply



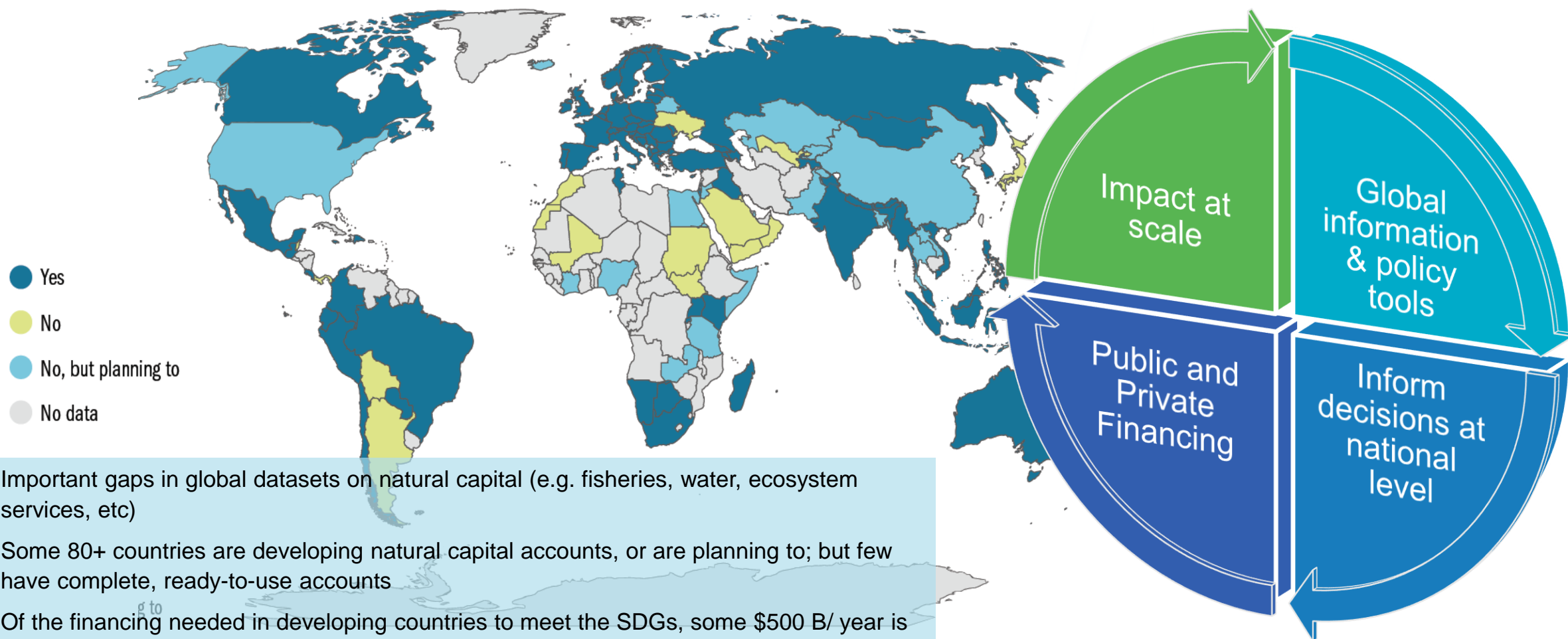


## Different paths to achieve institutionalization



# Momentum for NCA, but further efforts needed to deliver impacts at scale

Countries' progress in implementing the System of Economic and Environmental Accounts (SEEA)



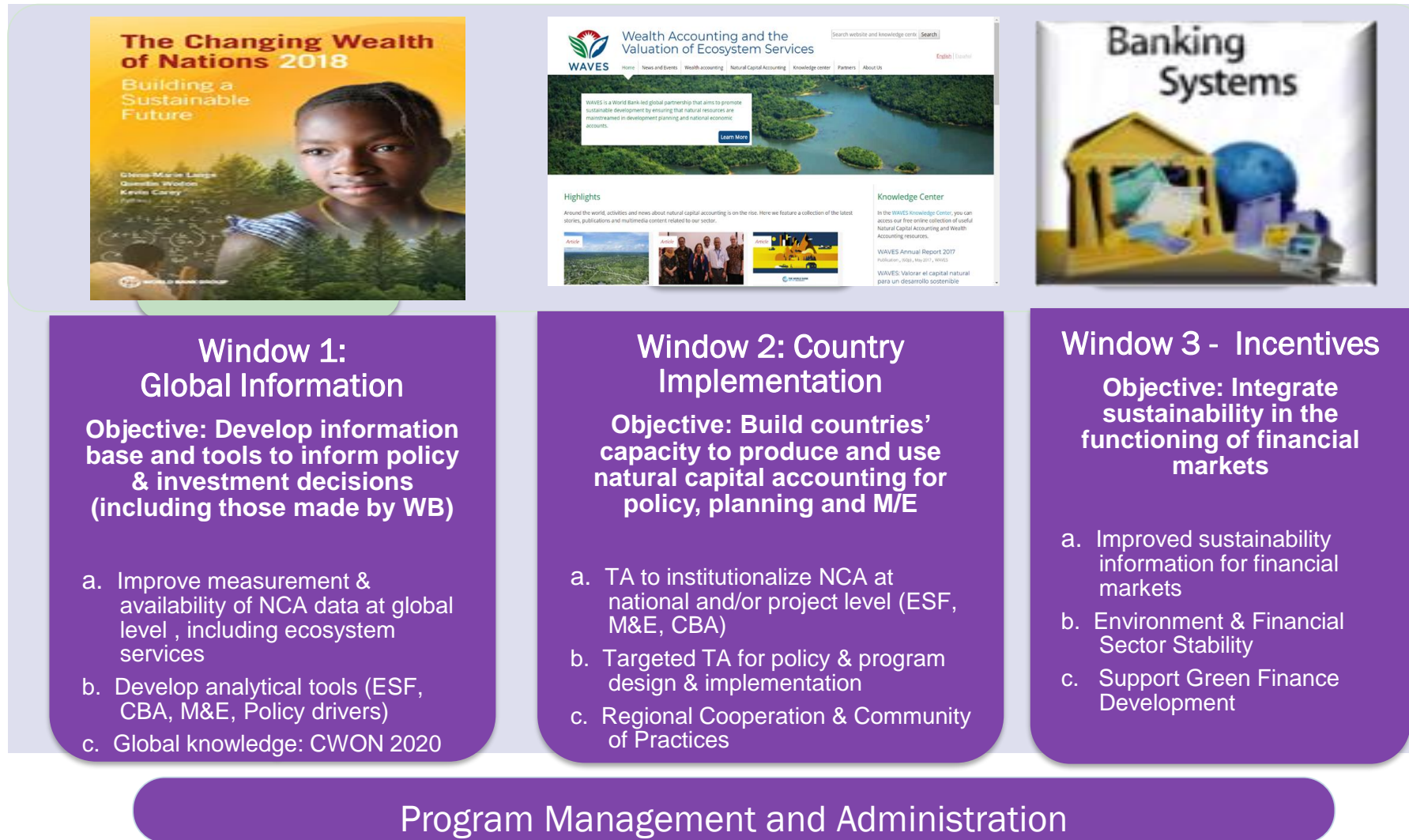
- Important gaps in global datasets on natural capital (e.g. fisheries, water, ecosystem services, etc)
- Some 80+ countries are developing natural capital accounts, or are planning to; but few have complete, ready-to-use accounts
- Of the financing needed in developing countries to meet the SDGs, some \$500 B/ year is related to different forms of investment in natural capital

# Global Program for Sustainability: Objective



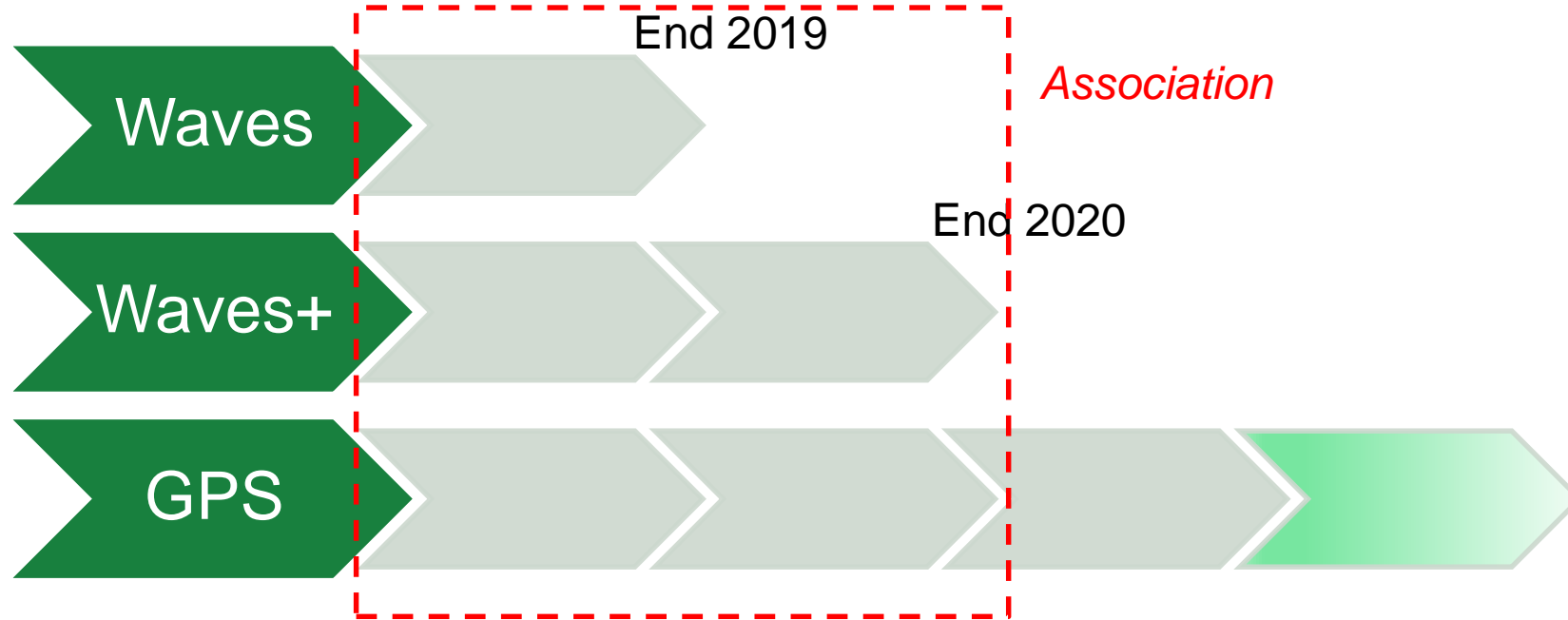
Promote the use of quality data on natural capital and ecosystem services to inform governments', private sector's and World Bank's decisions

# The pillars of GPS





# GPS is already open for business...



*WAVES+ donors*



*GPS donor*

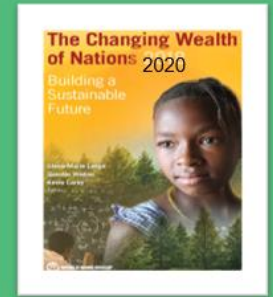


..and ready to deliver in the next  
18 months

## Pillar 1. Information



Road to China – informing the new  
biodiversity targets to succeed Aichi



.. Changing wealth of nations 2020

## Pillar 2. Implementation



Targeted Technical  
Assistance to specific  
projects and policies in 8-  
10 countries



Uganda Natural Capital  
Week

## Pillar 3. Incentives



Pilot FSAP Green Sustainable  
Finance Technical Note



Pilot Environment and Social  
Governance (ESG) Portal

**Make Sustainability Count**

**THANK YOU!**

# ANNEX SLIDES





# Context: sustainability recognized as key aspect of economic development ...

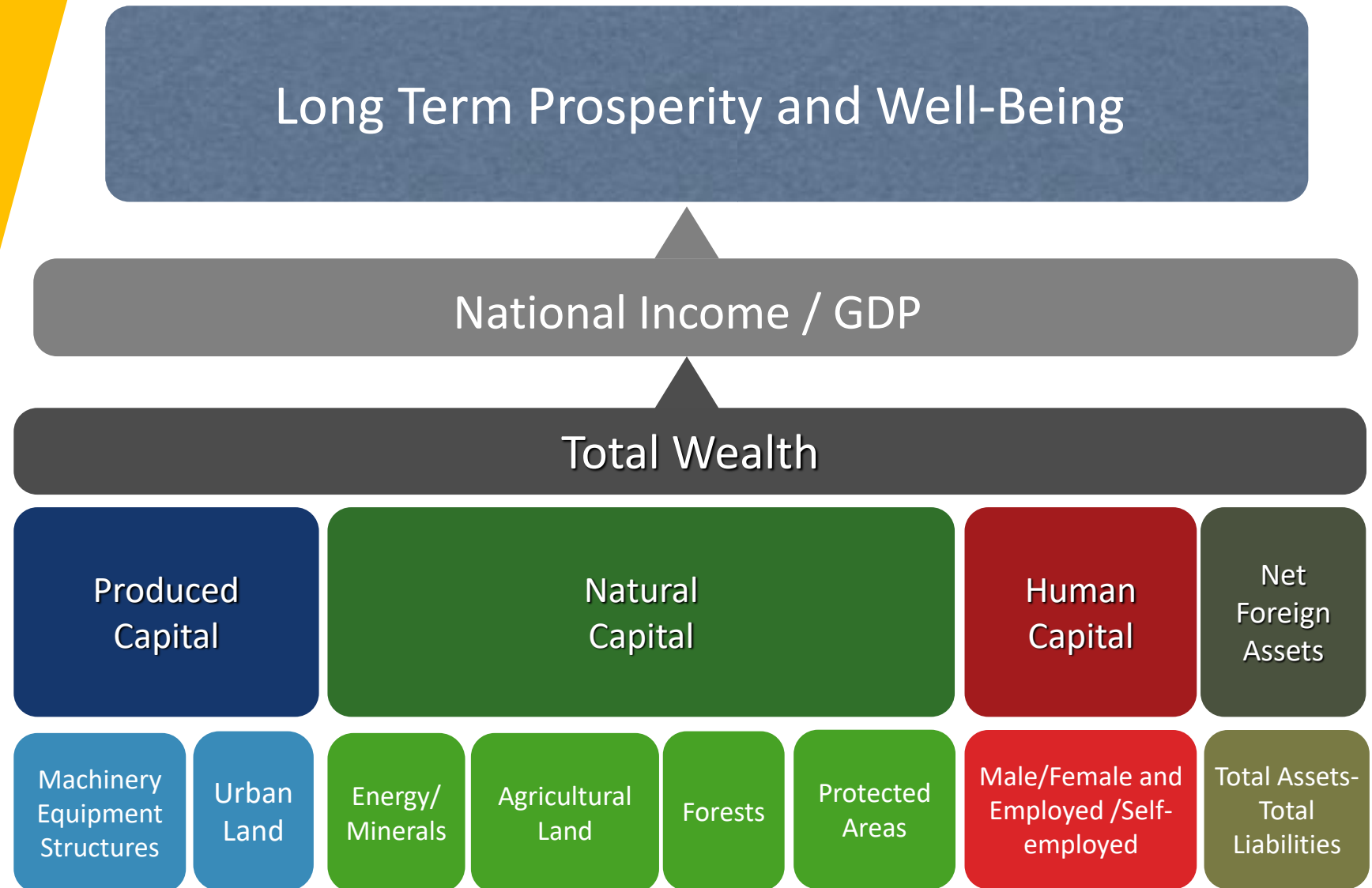


 EU HIGH-LEVEL EXPERT GROUP ON  
SUSTAINABLE FINANCE



The World Bank has developed wealth as an indicator of sustainability for two decades

The new book tracks wealth in 141 countries, from 1995 to 2014



# A crowded space: how pillar 3 will add value

## Internal Partners



## External Partners



## World Bank can act as

### Technical partner

- Curator of unique datasets on sustainability (wealth of nations, adjusted net savings, poverty and environment)
- Combines in a single institutions all relevant skills (environment, finance, public economics)

### Initiator

- Piloting innovative approaches
- Technical Assistance; Governance standards

### Catalyst

- risk-sharing financial instruments
- strengthening institutional capacity

### Facilitator

- multi-stakeholder alliances