



Conservation Benefits: Putting Value Where It Belongs

Efforts to attach economic value to conservation are focusing new attention on the full range of costs and benefits associated with conservation work done across the country. Researchers, government agencies and the private sector are all engaged in various activities designed to tie market values more closely to conservation work. The National Association of Conservation Districts recently released a report on these efforts, “Conservation Benefits: Putting Value Where It Belongs.” The report serves as a survey of efforts to focus on the economic value of conservation practices and systems on America’s private lands. Some key findings emerged from the study. We summarize them here.

Key Points

- ✓ Many conservation practices and systems produce economic values to the public at large and, in many cases, to landowners. Examples of public values include clean air and water, open spaces and recreational opportunities. Benefits to landowners can include better soil fertility, reduced input costs and better yield return.
- ✓ Public values from conservation can also save human lives, especially in times of severe weather. The importance of coastal wetlands in reducing human deaths from hurricanes, tsunamis and other extreme weather events has been established. Inland, resilient natural systems similarly reduce impacts from floods. One potential impact of climate change is an increase of extreme weather events. Conservation’s role in saving human lives and reducing property loss becomes more important in this scenario.
- ✓ While conservation provides many public values that can be calculated, it can also result in opportunity costs for landowners. Conservation programs can be designed to address opportunity costs by paying landowners for conservation systems and practices that provide public benefits. The Conservation Stewardship Program is an example of this type of program.
- ✓ The “business” of conservation yields many economic benefits that boost local economies. These include multiplier effects from state and federal conservation dollars and salaries paid to conservation staffs. Work done by conservation districts and their partners supports an array of local businesses, which, in turn, provide private-sector employment. Those wages also recirculate in communities.
- ✓ Awareness is building about the economic value of “ecosystem services” – the profits and products provided by natural systems that sustain human lives. New tools are available to

quantify these values for ecosystem services markets. Examples of functioning markets today include wetlands mitigation, source-water protection and water quality trading.

- ✓ Targeting conservation spending to achieve landscape-scale results maximizes ecological benefits and provides better opportunities to attach market value to those efforts if they are accompanied by reliable measuring and verification.
- ✓ While progress is noted in several areas, attaching economic values to conservation work is far from complete. Most experts acknowledge that economists haven't been sufficiently engaged in efforts to identify the value of conservation.

Key Needs

- ✓ The conservation community needs to do a better job describing the full range of values that stems from its work. Communication about the economic and ecological values of conservation is needed to educate the general public and policy-makers. NRCS, for instance, has the capability to show the economic value of programs such as the Environmental Quality Incentives Program on local economies. Telling the whole story is especially important in a challenging economy as decision-makers struggle with funding discretionary programs.
- ✓ Models for quantifying the value of ecosystem services, such as those developed by the Natural Capital Project, are in place. While they need further refinement, many experts agree they are sufficiently developed to be used in valuing ecosystem services.
- ✓ Source-water protection is clearly one of the best current opportunities for the conservation partnership to tie ecosystem services to economic values. Established programs and pilot programs across the country are showing this, as noted in the full report. The conservation partnership is in an excellent position to lead and/or facilitate these programs, working with both public and private entities.
- ✓ Measuring and verification are essential to the success of systems that tie economic values to ecosystem services. USDA is currently focusing on developing tools that accomplish this.
- ✓ Allowing for ecosystem service payments to be stacked will benefit landowners who are managing their lands for multiple ecosystem service benefits. By stacking payments, landowners could be rewarded for a variety of services, such as protecting water quality, sequestering carbon and enhancing wildlife habitat.
- ✓ Conservation programs that reward landowners for protecting or enhancing ecosystem services are an effective way to address the "winners vs. losers" syndrome, in which public benefits sometimes come at the cost of landowners asked to practice good conservation.

The full report, "Conservation Benefits: Putting Value Where It Belongs," is available on the "Reports" section of the National Association of Conservation Districts' web site, www.nacdnet.org. The 35-page report includes as a survey of the current landscape, case studies and appendices listing sources for more information.