



UN report calls on policymakers to boost investment in ecosystems for higher profits



Green Economy

13 November 2009 – Governments that invest in natural resources and ecosystems are likely to yield stronger economic growth and higher rates of return, according to a new United Nations Environment Programme (**UNEP**) report released today.

The new **report** urges policymakers to scale up investments in the management and restoration of ecosystems ahead of next month's UN climate change conference in Copenhagen where Governments are expected to approve funding for developing countries to maintain forests.

The UNEP-backed study noted that some countries have begun to make the link and are glimpsing benefits in terms of jobs, livelihoods and economic returns that outstrip those wedded to last century's economic models.

"The economic invisibility of ecosystems and biodiversity is increased by our dominant economic model, which is consumption-led, production-driven, and GDP-measured," Pavan Sukhdev, who led the study, **told** reporters in Brussels.

"This model is in need of significant reform," stressed Mr. Sukhdev. "The multiple crises we are experiencing – fuel, food, finance, and the economy – serve as reminders of the need for change."

Underscoring government's role in providing incentives to shift away economies from short-term opportunism, he said that the right policies "can help us move toward a resource-efficient economy."

The study noted that investment in the protection of Guatemala's Maya Biosphere Reserve generates an annual income of almost \$50 million a year and created some 7,000 jobs boosting local family earnings.

Part of the Economics of Ecosystems and Biodiversity (TEEB) project, the report also called for more sophisticated cost-benefit analysis before policy decisions are made, citing a study on the conversion of mangroves into shrimp farms in southern Thailand.

Subsidized commercial shrimp farms can generate returns of around \$1,220 per hectare by clearing mangrove forests, but the losses to local communities linked with wood and non-wood forest products, fisheries and coastal protection services came to over \$12,000 a hectare. The profit to the commercial operators also failed to take into account the costs of rehabilitating the abandoned sites after five years of exploitation which was estimated at over \$9,000 a hectare.

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