



Preliminary Reaction:

An Assessment of the Use and Potential Use of Ecosystem Services Valuation in NOAA ESMWG Report

A Presentation to the NOAA Science Advisory Board

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Outline



- Purpose
- Issue
- Key Topics
 - Importance of ESV to NOAA
 - NOAA Response to CEQ memorandum
 - NOAA Capacity to Use ESV in Management (Demand)
 - Internal Capacity to Conduct ESV (Supply)
 - Technical Issues Related to ESV



Purpose



- To begin a dialogue with the SAB as NOAA works to improve and build its capacity in Ecosystem Services Valuation
 - Preliminary thoughts
 - Preliminary actions



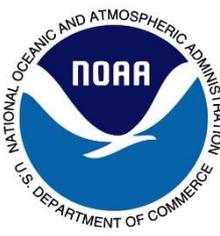
Issue



- Not a General Treatise on Ecosystem Services
- Focused on Nonmarket Valuation
- Mostly Focused on Stated Preference Approaches (Survey Based)
 - Contingent Valuation
 - Choice Experiments



Importance of ESV to NOAA



- *NOAA Social Science Vision and Strategy*
 - NOAA will “estimate and apply ecosystem service valuation to demonstrate connections between ecological well-being and community well-being.”



NOAA Response to CEQ



- Task 1 – Continue to integrate ecosystem service to support the implementation of statues
- Task 2- Continue to integrate ecosystem service into NOAA’s programs
- Task 3 – Undertake a comprehensive review of policies and programs
- Task 4 – Provide senior-level direction to integrate ecosystem services into NOAA policies and programs



NOAA Capacity to Use ESV in Management



- Decision Context is Evolving
 - Protected Resources (no for ESA, yes for critical habitat designation)
 - Ecosystem decision context (e.g., IEA)
 - Ecosystem based fisheries management (e.g. forage species)
 - Regional Planning Bodies
- Reluctance to Use
 - Controversial
 - Misunderstood by Leadership
 - Counter example – Value of Statistical Life (VSL)
 - Why is VSL so widely used and accepted in Federal decision-making?



NOAA Capacity to Conduct ESV



- Specialty Area in Environmental and Resource Economics
 - Training of existing NOAA economists
 - Hire economists with experience and training in ESV
 - Create a Community of Practice*
 - Within NOAA
 - With academic partners
- Prioritize and focus studies



High Level Technical Issues



- Follow Guidance Developed by Profession
- Beware Off-the-Shelf Approaches
- Caution with Benefits Transfer
- NOAA's Role in High Priority and Focused Studies to Fill the Information Gaps



Desired Outcome

- *Guidance From the SAB*
 - *Are we interpreting the intent and major themes of the report as intended?*
 - *What is the “low-hanging fruit”?*
 - *How do we continue to engage with SAB as we attempt to build capacity and address concerns?*