SUSTAINABLE FLOWS

Improving Financial & Ecosystem Service Flows

Expanding the field of ES practitioners— 18 benefits from using classification systems

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with

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Imagine

- No definition for schizophrenia
- No list of symptoms for HIV
- 10 definitions for "fast food restaurant"
- A species being placed in 4 families





Introduction

- History of ES classification systems
- 18 benefits of ES classification systems (ES-CS)
- Costs benefit analysis
- Transition



Introduction

Classification systems have proven value

- Knowledge workers spend 20-35% of their time searching for data, with a 50% success rate
- Data collection and preparation is 60% of the time needed for environmental modeling
- Reuters saved \$90 million with a CS
- One poor CS costs 10,000 organizations \$10 million annually



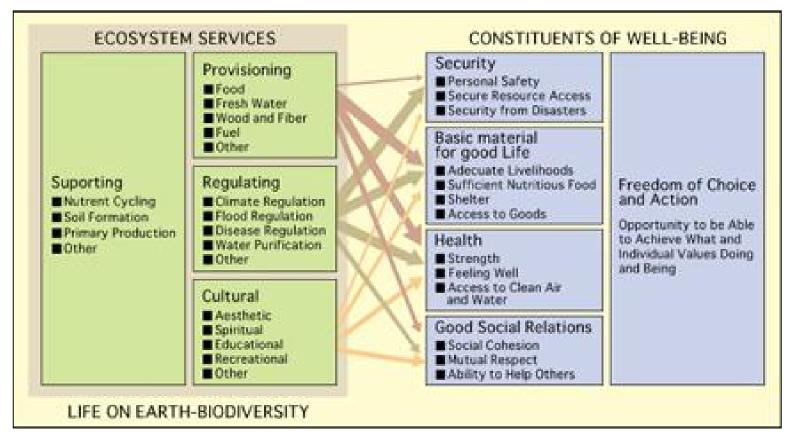
ES-CS likely to spur 18 benefits, including:

- Unified language
- More appropriate metrics
- Improved knowledge sharing
 - Benefit transfer, scaling, regional assessments
 - Data interoperability
- More precise ES efforts





Origins of present "grouping standard"



"These categories overlap extensively, and the purpose is not to establish a taxonomy but rather to ensure that the analysis addresses the entire range of services." (MA, 2003, page 38).



Several groupings and classifications emerged





TEEB ES are not benefits

supporting habitat







• FES elements

China NCA

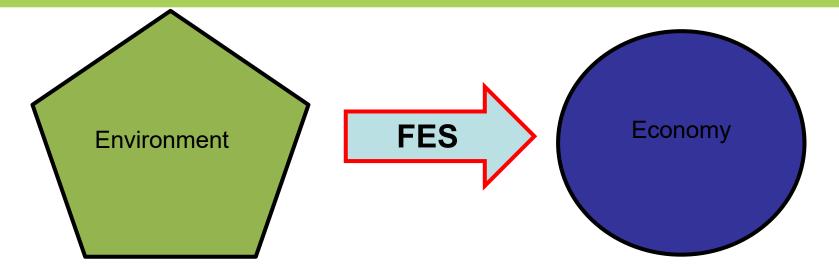
FES based



Nature's contribution to people



Final ecosystem services



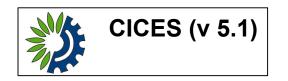
- Transition point from being predominately ecological to being predominately economic
- Defined ecological end points
- Only system discovered that can place ES into a hierarchy/classification system



Classification systems have a

• **Hierarchy** that nests sub-groups in a way that is:

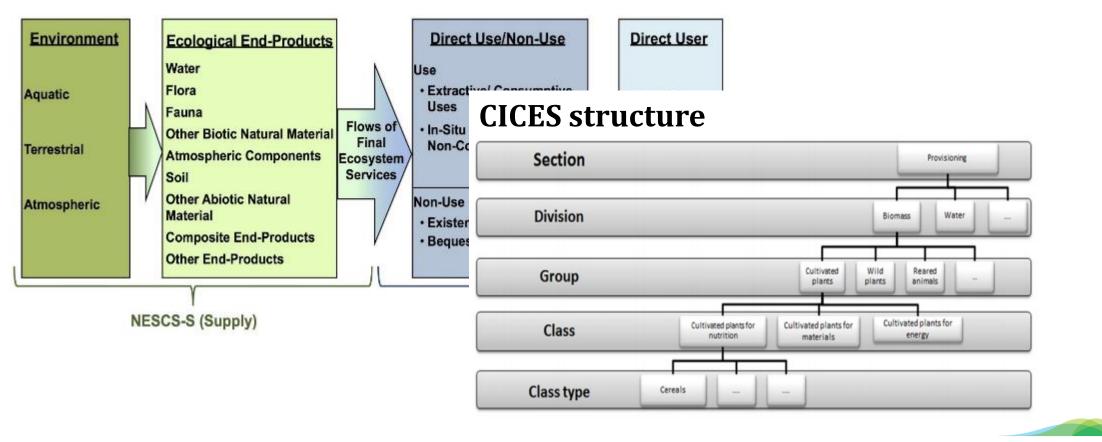
- Complete
- Mutually exclusive
- Consistent
- Relevant
- Balanced
- Flexible
- Stable
- Comparable
- Thesaurus that lists all the terms related to the classification system
- Vocabulary that can be used to search the data







NESCS Four-Part Classification Structure (condensed)





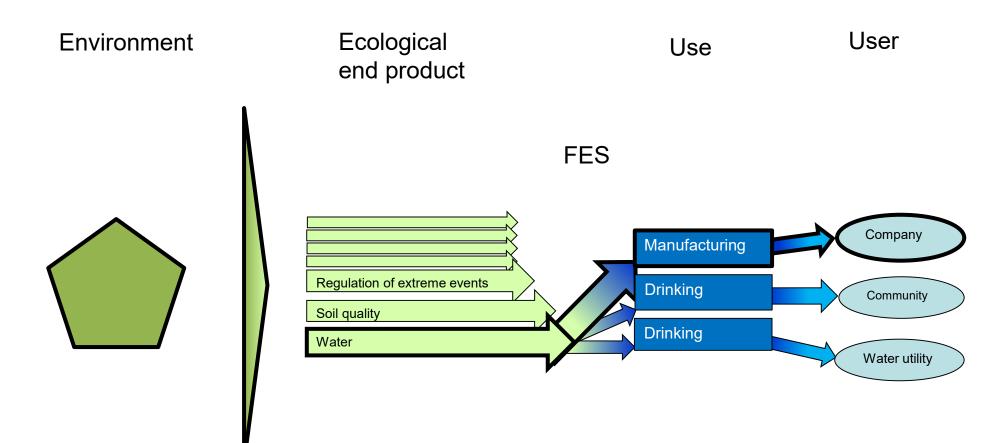
18 Benefits of ES-CS

| | | Generic Benefits | | | | |
|----------------------------|--|------------------|------------------|---------------------------|--|--|
| | | Defining data | Discovering data | Avoiding recreating CS | | |
| Functional Benefits | 1. Unifying language | | | | | |
| | 2. How interrelate | | | | | |
| | 3. Improved elements, metrics, and analytical techniques | | | | | |
| | 4. Knowledge transfer | | | | | |
| | 5. Knowledge management | | | | | |

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| | Specific ES-CS terms and examples | | | |
|--|--|---|--|--|
| Term used in this paper | CICES | FEGS-CS (to be retired) | (to be retired) and NESCS Plus (from FEGS-CS and NESCS) | |
| Hierarchical level [*] (each has nested sublevels) | Section, Division, Group, Class, Class Type | Environmental Class, Environmental Sub-Class, Beneficiary Class, Beneficiary Sub-Class | Environment, Ecological End- Products, Direct Use/Non-Use, Direct User | |
| Example elements of the FES (element) ^{**} | Provisioning, Biomass, Wild Animals, Terrestrial, Nutrition | Terrestrial, Forest, Recreational, Hunting | Forest, Fauna, Hunting for Consumption, Households | |
| Code | 1.1.6.2 | 21.0604 | 21.3.1106.2 | |
| Example of the FES the system names | Food from wild animals | Recreational forest hunting | Animals in forests, hunting for household consumption | |

2. Understand how all the elements interrelate





3. Improved identification of elements, metrics, and analytical techniques

Avoid common mistakes, including:

- 1. Not having a direct user
- 2. Mistaking an economic input for an FES
- **3.** Misidentifying an ecosystem characteristic, process or function as an ecological end-product
- 4. Failing to distinguish between a use and a user
- 5. Choose an FES without identified metrics

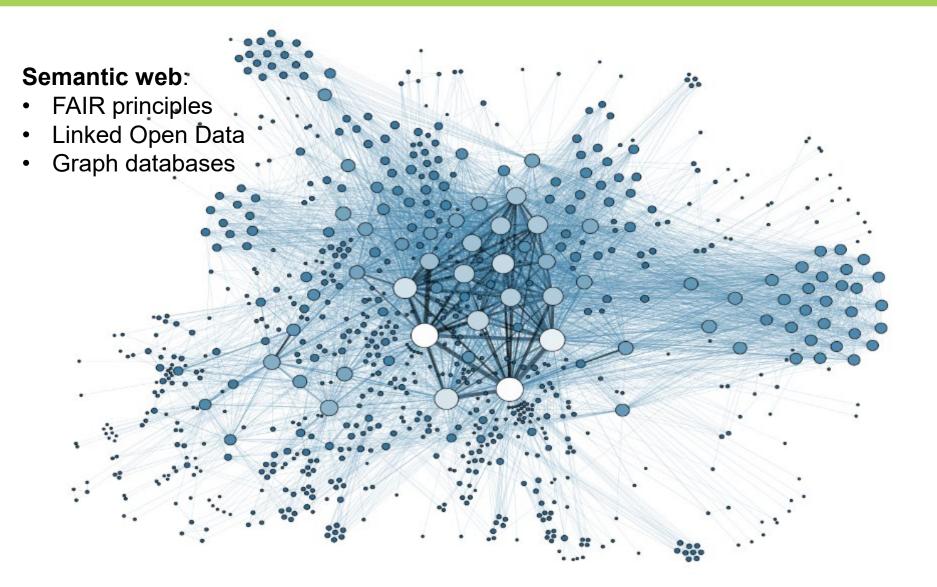
While helping to:

- 6. Reduce the risk of double counting
- 7. Simplify natural capital accounting

All from use of ES-CS



4. Improved knowledge transfer





© Sustainable Flows, Graphic source: http://sites.linkeddata.center/blog/_/rsrc/1471794942816/archive/1-2-3linkedopendataarehere/Social_Network_Analysis_Visualization.png

Cost benefit analysis

Benefits likely far exceed costs

| Updating ongoing research, tools & DBs Building search systems (ongoing) Managing biases (e.g. ISO process) | benefits Seasier to teach |
|---|------------------------------|



Transition

Transition to using ES-CS

ES practitioners should:

- 1. Integrate stakeholders' understanding of the "benefits of nature" with ES-CS
- 2. When not using an ES-CS, clearly define the ecosystem, ecological end-product (or CICES equivalent), use, and users
- 3. Where practical, use an ES-CS
- 4. Promote the adoption of ES-CS



Sustainable Flows helps organizations improve financial and ecosystem services flows through ecosystem modeling, valuation and risk assessment that improve strategies for managing risks related to the natural environment.

We work globally with the public and private sectors to advance methods and approaches, while providing clients practical strategies for risk reduction.





For more information please contact:

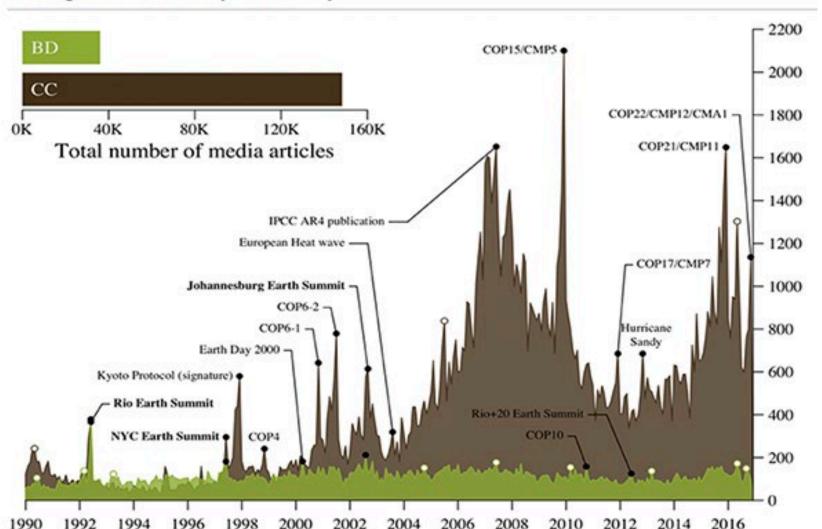
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1. Unifying language



Closing the Biodiversity Action Gap

Graph Source: Legagneux, P., N. Casajus, K. Cazelles, C. Chevallier, M. Chevrinais, L. Guéry, C. Jacquet, M. Jaffré, M. Naud, F. Noisette, P. Ropars, S. Vissault, P. Archambault, J. Béty, D. Berteaux, and D. Gravel. 2018. Our House Is Burning: Discrepancy in Climate Change vs. Biodiversity Coverage in the Media as Compared to Scientific Literature . Front. Ecol. Evol. https://doi.org/10.3389/fevo.2017.00175

4. Improved knowledge transfer



- Benefit transfers
 - More precise elements and metrics
- Scaling
 - A. Driving greater accuracy in scaling analysis
 - B. Informing the selection of scales
 - C. Encouraging greater consistency in defining scales
 - D. Helping ensure that FES are not "lost" in scaling
 - E. Improving communications with decision makers and stakeholders



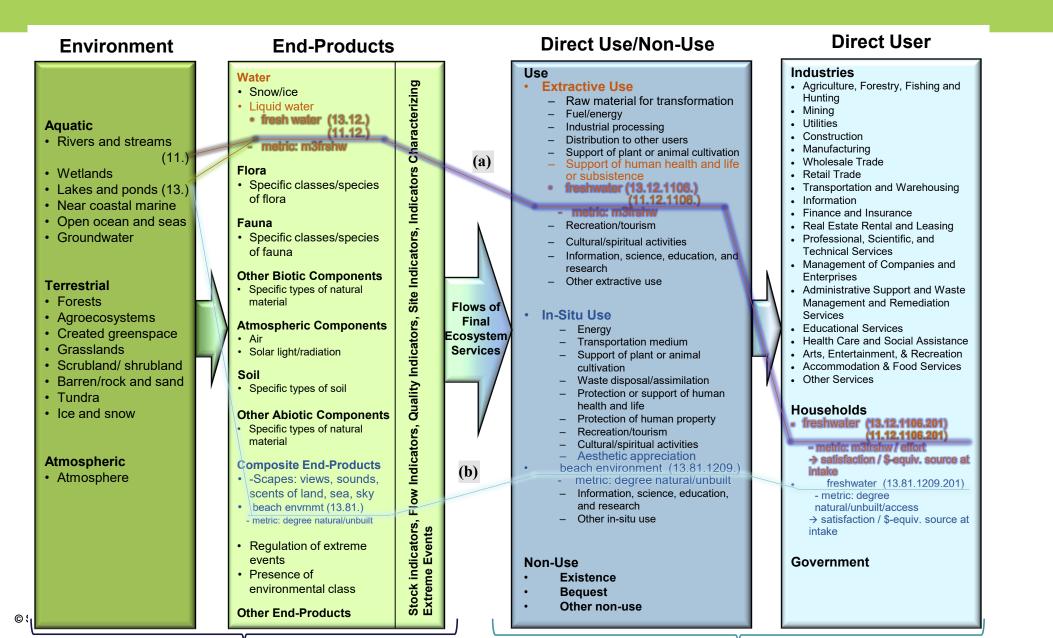
5. Improved knowledge management



 Employee turnover less costly for employee and employer

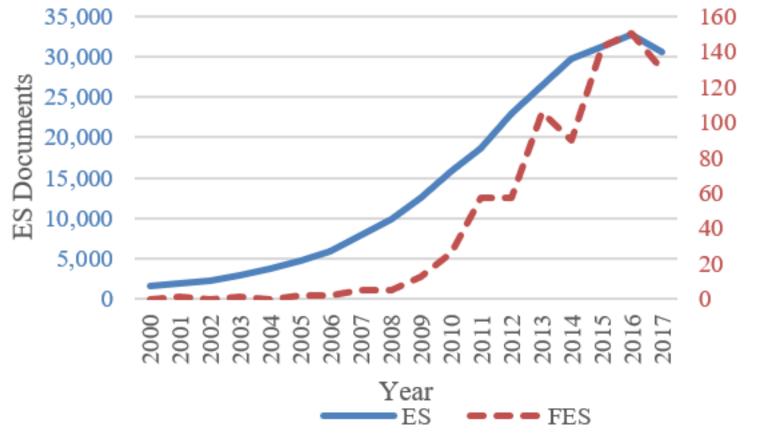


2. Understand how all the elements interrelate



FES research is growing

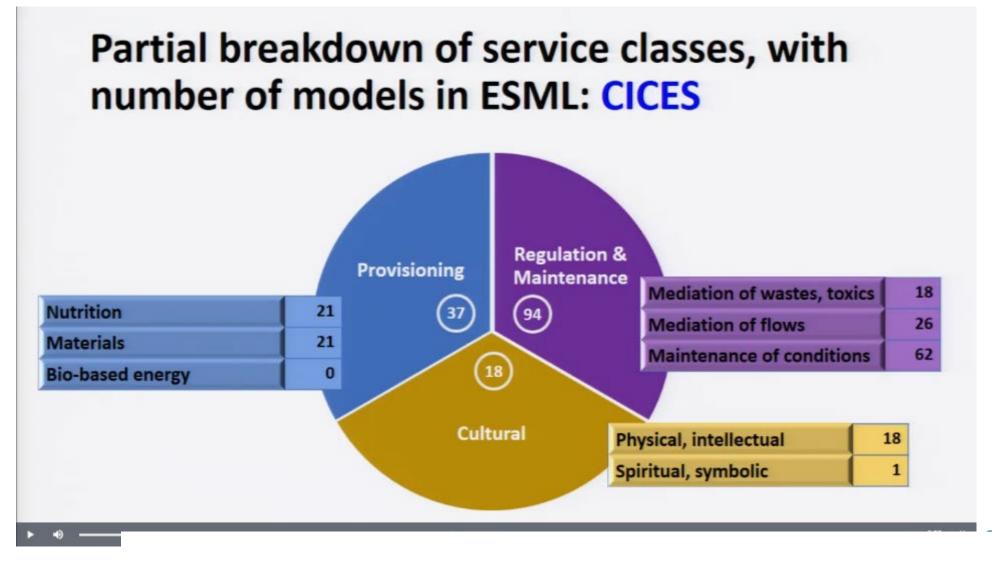
Chart 1: ES and FES documents per year Google Scholar hits (25 May 2018)



FES Documents



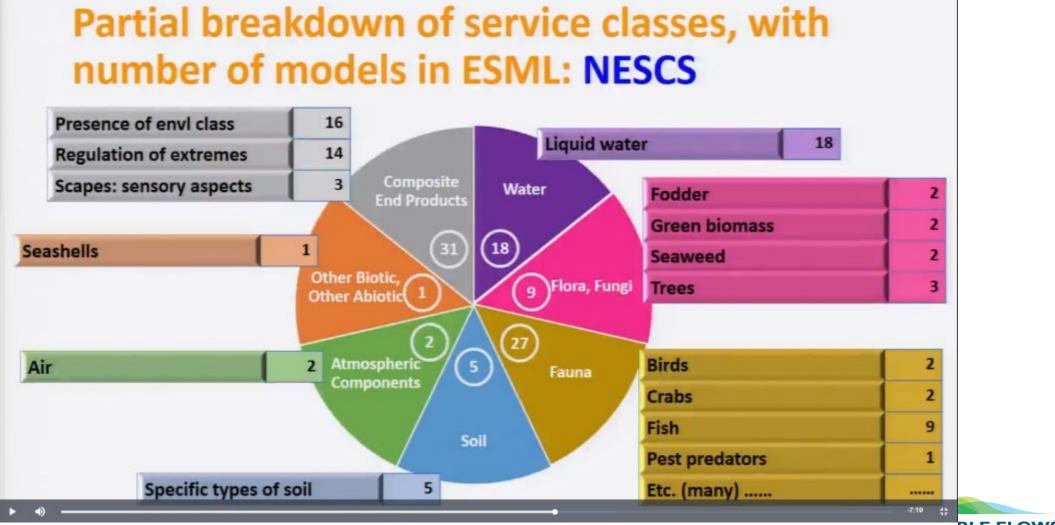
Defining data: f. Quicker identification of research needs



Graph Source: T. Canfield. Aligning ecological models and ecosystems services endpoints. SETAC North America 38th Annual Meeting. November 14, 2017. Available at http://setac.sclivelearningcenter.com/index.aspx?PID=9484&SID=232867. Accessed: May 2: 2018.

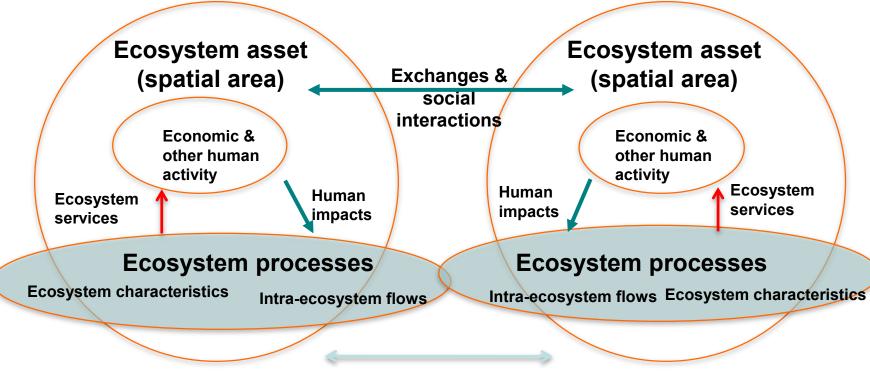
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Defining data: f. Quicker identification of research needs





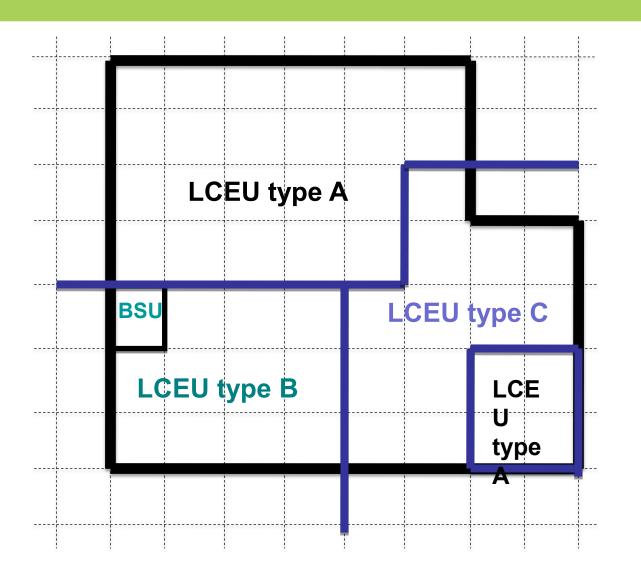
Basic UN-SEEA accounting model



Inter-ecosystem flows

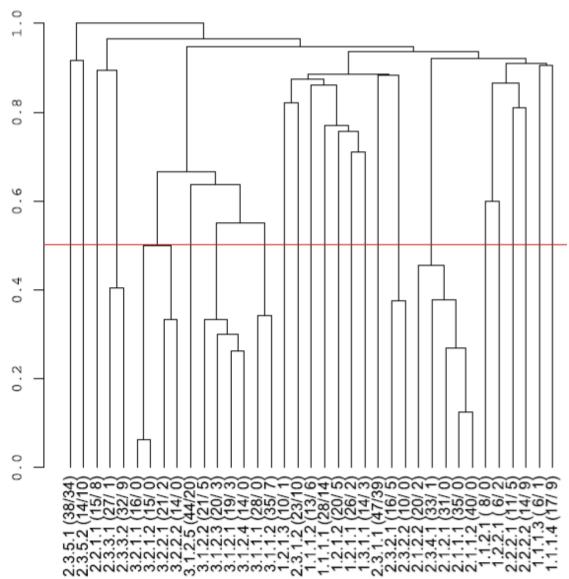


Ecosystem Accounting Unit





Clustering of CICES classes based on use fraction of shared indicators in published studies





© Sustainable Flows, 2

anable Flows, 2 Graph Source: B. Czúcz, I. Arany, M. Potschin, K. Bereczki, M. Kertész, M. Kiss, R. Aszalós, and R. Haines-Young, 2018. Where concepts meet the real world: A systematic review of ecosystem service indicators and their classification using CICES. Ecosystem Services, 29, pp.145-157.