The Cost of Policy Inaction (COPI) on Biodiversity

Project

Duration

Nov 2007 - May 2008

The continuing loss of biological diversity will cost the global economy up to 14 trillion Euros by 2050, which is equivalent to 7% of the projected global GDP in 2050. This is the result of a study on the cost of policy inaction (COPI) with regard to the EU's 2010 biodiversity target. Ecologic contributed to the assessment by establishing a comprehensive inventory of economic valuations of biodiversity and ecosystem services. The study was presented on 29 May 2008 at the Ninth Meeting of the Conference of the Parties (COP-9) to the Convention on Biological Diversity (CBD) in Bonn. It is part of a large-scale review on The Economics of Ecosystems and Biodiversity (TEEB).

Background

So far, a considerable amount of global biodiversity – over 40% of our forests, 50% of wetlands, 35% of mangroves, and 20% of coral reefs – has been lost, resulting in reduced flows of associated ecosystem services. The cost of policy inaction can be defined as the environmental damage occurring in the absence of an effective regulatory framework.

The COPI study and the wider review on The Economics of Ecosystems and Biodiversity (TEEB) are part of the European Commission's commitment to strengthen understanding and communication of values of natural capital and of ecosystem services. The aim is to take account of these values in the policy framework and to expand incentives for people to safeguard biodiversity. This commitment was expressed in the Communication from the Commission on halting the loss of biodiversity by 2010.

Objectives

The COPI study has two principle aims:

- The first major aim is to arrive at an overall illustrative value for the cost of not halting biodiversity loss – to clarify and communicate the importance of looking more closely at the monetary and non-monetary costs of ecosystem and biodiversity loss.
- The second major aim is to scope out what is possible methodologically and to help gain insights for the wider valuation challenge on the economics of ecosystems and biodiversity.

Methodology

The study develops an integrative methodology of analysis and synthesis, based on well-known and widely accepted frameworks of analysis. An exhaustive inventory of the current

state of economic valuations of biodiversity and ecosystem services and an analysis of future impacts and values with internationally accepted scenarios are the core of the methodology.

Further research needs

In phase 2 of the study, which takes place within the wider TEEB assessment, further work has to be done. As of now, the core COPI numbers show only part of the global picture. Losses of ecosystems and biodiversity in other geographic areas and biomes, which have not been part of the first COPI assessment, require in-depth analysis. There is a need to fill information gaps on ecosystem service values, amongst others for freshwater protection and regulation, soil formation and quality, natural hazards control and bioprospecting.

Download

Download the full report from Europa website: Cost of policy inaction-COPI: The case of not meeting the 2010 biodiversity target. Final Report.

Funding

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