



OECD Work on Biodiversity

OECD Analysis on the Economics of Biodiversity

The OECD supports governments by providing the analytical basis to develop biodiversity policies that are environmentally-effective, economically-efficient and distributionally-equitable. The OECD Working Party on Biodiversity, Water and Ecosystems (WPBWE) - formerly the Working Group on Economic Aspects of Biodiversity (WGEAB) - has, for more than two decades, focused on valuation of biodiversity and the use of economic instruments, incentives and other policy measures to promote the conservation and sustainable use of biodiversity and ecosystem services.

Despite the significant economic, social and cultural values of biodiversity and associated ecosystem services, biodiversity worldwide is being lost, and in some areas at an accelerating rate. The OECD's work promotes the recognition of biodiversity values in economic decision making, and the utilisation of efficient policy mechanisms to ensure the sustainable use and conservation of biodiversity. This work also supports the work of the Convention on Biological Diversity. Key policy areas of OECD work are:

- ***Biodiversity Indicators, Valuation and Assessment***

Biodiversity indicators and economic valuation enable the quantifiable assessment and comparison of biodiversity benefits across space and time. This is essential for the design and implementation of effective policy. The OECD's work evaluates best practice in the use of biodiversity indicators and valuation for policy, and regularly provides economic and environmental analysis of biodiversity trends and outlooks, including the simulation of costs and benefits of policy actions.

- ***Economic Instruments, Incentives and other Policies***

The local, regional, and global public good values of biodiversity are often not adequately reflected in market prices, leading to excessive biodiversity loss and degradation. The OECD's work analyses how market and other government failures can be addressed through the use of efficient policy mechanisms to ensure the sustainable use and conservation of biodiversity, ecosystem services and other natural resources.

- ***Biodiversity Finance, Development and Distributional Issues***

Biodiversity conservation and sustainable use requires finance and investment from both the public and private sector. OECD's work considers how financial flows can be scaled-up, whilst enhancing the cost-effectiveness of existing biodiversity finance. The distributional implications of biodiversity policies (which create both winners and losers) are also critical, as are the linkages between biodiversity and development. The OECD has also recently conducted work on Green Growth and Biodiversity, to complement the broader OECD work stream on a Green Growth Strategy.



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Selected biodiversity publications, reports and case studies:

- OECD (2013), *Scaling-up Finance Mechanisms for Biodiversity*, OECD Publishing.
- OECD (2012), *OECD Environmental Outlook to 2050: The Consequences of Inaction*, OECD Publishing.
- OECD (2010), *Paying for Biodiversity: Enhancing the Cost-Effectiveness of Payments for Ecosystem Services*, OECD Publishing.
- Karousakis, K. (2009), "Promoting Biodiversity Co-Benefits in REDD", OECD Environment Working Papers, No. 11, OECD Publishing.
- OECD (2008), *People and Biodiversity Policies: Impacts, Issues and Strategies for Policy Action*, OECD Publishing.
- OECD (2008), "Report on Implementation of the 2004 Council Recommendation on the Use of Economic Instruments in Promoting the Conservation and Sustainable Use of Biodiversity", Working Group on Economic Aspects of Biodiversity, OECD, Paris.
- OECD (2004), *Handbook of Market Creation for Biodiversity: Issues in Implementation*, OECD Publishing.
- OECD (2003), *Harnessing Markets for Biodiversity: Towards Conservation and Sustainable Use*, OECD Publishing.
- OECD (2003), "Perverse Incentives in Biodiversity Loss", OECD Publishing.
- OECD (2002), *Handbook of Biodiversity Valuation: A Guide for Policy Makers*, OECD Publishing.
- OECD (2001), *Valuation of Biodiversity Benefits: Selected Studies*, OECD Publishing.
- OECD (1999), *Handbook of Incentive Measures for Biodiversity: Design and Implementation*, OECD Publishing.
- OECD (1996), *Saving Biological Diversity: Economic Incentives*, OECD Publishing.

Reflecting the depth of material contained in this work, OECD countries agreed in 2004 on an "OECD Council Recommendation on the Use of Economic Instruments in Promoting the Conservation and Sustainable Use of Biodiversity" [C(2004)81].

Other OECD work on biodiversity includes the following:

Green Growth including biodiversity www.oecd.org/greengrowth

DAC statistics on monitoring of biodiversity-related aid to support the objectives of the UNCBD www.oecd.org/development/environment-development/

Harmonisation and collection of a range of environmental data and the development of indicators www.oecd.org/env/indicators-modelling-outlooks

OECD Environmental Outlook (2012, 2008, 2004) including chapters on Biodiversity www.oecd.org/environment/outlooks

Bio-safety, including harmonisation of notifications and registrations of biotechnology products www.oecd.org/env/ehs/biotrack

Linkages with agriculture activities and policies and the environment www.oecd.org/agriculture/sustainable-agriculture