

Suggestion to **Atlantic Forum**

Gulbenkian Oceans Initiative

Calouste Gulbenkian Foundation

1. Introduction

The Calouste Gulbenkian Foundation (CGF) (www.gulbenkian.pt), with its headquarters in Lisbon, Portugal, promotes a wide range of initiatives and projects that contribute to overcome particular needs and to find answers to key issues within its four areas of action: the Arts, Charity, Education and Science. It gives support to organizations, individuals or initiatives. Those initiatives and projects are created and designed by the Foundation itself or in partnership with other organizations.

The Calouste Gulbenkian Foundation is starting a new initiative, Gulbenkian Oceans Initiative (GOI), focused on the economics of marine ecosystem services in order to contribute to the economic valuation of these services and to a better understanding of their functions.

The growing understanding of ecosystem services, including of the economic value they generate, indicates that ecosystems and biodiversity should be widely perceived as key strategic assets for sustainable development. This should be of great interest to whoever has ownership/responsibility over them, being the international community at large, regional organizations such as the European Union, or individual States.

Natural services provided by oceans are a priceless contribution to human welfare. We could not live without the oceans because of the role they play in sustainability. In the same way we cannot evaluate the economic value of the oxygen we need to live, we cannot quantify the value of the ocean's contribution for the planet's life support system.

Nonetheless, there are a number of marine ecosystem services that could be marketed for economic purposes. For instance, the oceans are also a source of food, through the generation of commercially valuable marine living resources (sea food); they are a natural infrastructure for transportation, with seaborne transportation accounting for 90% of the traffic of international trade in the world; and they are also a praised venue for recreation.

Monetizing the environment is not without its critics. However, difficult as it may be to place a value on ecosystem goods and services, there is a bottom line which justifies the cause for monetization: if the environment is not monetized, it is automatically excluded from any kind of economic calculation and can therefore have no impact on the determining of rational choice.

It is of great relevance to promote and upgrade knowledge about marine ecosystem services and its relationship with human welfare to a different, higher stadium of development. The key matters at stake are: (i) to promote and develop knowledge on the very existence of marine ecosystem services and to achieve their clear

identification; (ii) to promote and develop knowledge on the relationship between marine ecosystem services and human welfare, i.e. how does one impact and contribute towards the other; (iii) and finally to develop knowledge on what is the actual value, including the economic value, of those ecosystem services: many of the ecosystem services are not traded on the market and have, thus, no commercial value. This is problematic in respect of decision-making and the justification of their conservation.

2. Suggestions for key investment and research priorities proposed by the Gulbenkian Oceans Initiative

The Atlantic Ocean is especially important for Portugal and for the Portuguese people given this country's overwhelming maritime geography, the size of its Economic Exclusive Zone and of its continental shelf, as well as its historic and remarkable relationship with the sea. Portugal is therefore well placed to understand the stakes and to participate in initiatives such as the Atlantic Forum and the Gulbenkian Oceans Initiative encourage the consideration of Atlantic ecosystem services' value in decision-making. Therefore, our suggestions are focused on the implementation of the ecosystem approach

Policy Framework:

- Promote cooperation across the Atlantic area between researchers from different academic backgrounds (natural and social scientists, economists and engineers) through an interdisciplinary network devoted to marine ecosystem services
- Promote the ecosystem approach by focusing studies on the economic values of marine ecosystem services (MES) and on specific regional (pilot) areas that can be used as case-studies; Integrate the economic value of MES into marine spatial planning and integrated coastal zone management scenarios. Give example of successful use of the economic value of marine ecosystem services in decision-making processes.
- Promote the definition of environmentally-based fiscal policy. For example: calculation of license fees that reflect the impact a given economic activity has on the marine environment; damage assessment in case of environmental disaster (oil spill, habitat destruction, etc.); etc.
- Incentive ecosystem accounting, that is, to regard ecosystems as assets that provide services to people, and to use ecosystem accounts to describe the way they change over time in terms of stocks and flows.

Key investment needs:

- Invest in education and capacity-building activities in order to raise awareness among the general public, policy-makers, decision-makers and those able to influence political decisions about the importance of marine ecosystem services to our general well-being, including but not restricted to their economic value.

- Show how the integration of the economic value of marine ecosystem services into decision-making will improve the effectiveness of our environmental and economic policies related to the Atlantic.

Key research needs:

- Following section 1.3 (point 8), of the suggestions already made by Member States, the GOI proposes that part of the research should be focused on the economic value of marine ecosystem services. Generally, one should promote research activities that produce knowledge on the economic value of marine ecosystem services that feeds appropriately into awareness-raising activities and into decision-making processes at all levels. Particularly, we need to develop more robust methods to assess the economic value of MES, with special attention to the intangible ones.

3. What will the Gulbenkian Oceans Initiative Do?

In the context of the Atlantic Forum, the Gulbenkian Oceans Initiative (GOI) wants to help make the difference. By focusing specifically on marine ecosystem services (MES), the Gulbenkian Oceans Initiative will be an addition to the few other initiatives that have so far looked into those ecosystem services as the strategic environmental and economic assets that they really are. Moreover, it will be a complement to the suggestions of key investment and research activities already made by Member States.

The main issues to be addressed by the GOI can be summarized as follows:

- The missing link between marine ecosystem services and human well-being;
- Preservation and conservation of the marine environment;
- Application of valuation in sound marine governance systems;
- Information for sound decision making;
- Public awareness of marine biodiversity and its value (economic and other);

Our main objective is to promote greater awareness on the role of Atlantic marine ecosystem services for human well-being and economic prosperity, gathering intelligence on how to measure the contribution of those services and fostering the understanding of their value, including their economic value, for our production systems and processes.

In order to obtain a critical mass of intelligence on how to measure ecosystem services, it is necessary to expand both our knowledge about Atlantic biodiversity and the functioning of ecosystems as well as about the economics of ecosystems' functioning and services. This will require using available expertise on both the disciplines of business and economics and on marine biology and related scientific disciplines.

4. How can GOI-CGF be helpful to the Strategy for the Atlantic Ocean Area?

Within its mission, GOI already identified local partners who are working in ocean resource related areas in Portugal, be they in academic, business, government, and non-governmental organizations. More importantly, GOI acts as a hub to connect

these organizations, particularly those from different disciplinary backgrounds. This is done both informally through the sharing of contact and other information, and formally by promoting meetings, workshops and other partnerships. Particular attention is given in this area to strengthening and educating the most acutely affected groups, such as fisherman associations, sustainable tourism development, and schools in communities tightly linked to the sea by economic and cultural ties. In this context, GOI emerges as a valuable networking point for the Atlantic Forum purposes.

Research in a pilot area: GOI will fund a research project totally devoted to the economic valuation of marine ecosystem services (MES) in a pilot area in Portugal (to be defined in April 2013) where the main issues on marine ecosystem services summarized above will be investigated.

The main goals are: (1) Identify and develop the economic tools (models) that are most appropriate to estimate the economic value of marine ecosystem services in a specific study area; (2) Determine the total economic value of selected MES in the study area; (3) Use scientific results on the economic value of MES to produce policy papers that are useful and lead to changes in local, national and European Union-level decision-making processes; (4) Make recommendations on future research needs in Portugal and abroad.

We therefore strongly suggest that similar research activities are promoted in other pilot areas under the umbrella of the Atlantic Forum (see, for example the recently EU-funded VALMER project www.valmer.eu).

Capacity-building: GOI will develop capacity building at various levels and targeting different audiences (children and youth; researchers; local communities; policy-makers; decision-makers; ENGOS; accountants of major maritime companies) positioning each of us as beneficiaries of the many values of marine ecosystem services (not just economic).

5. In conclusion

There is an urgent need to incorporate the value of marine and coastal ecosystem services into our current economic system so that their value can be understood and protected. The Atlantic Forum emerges as the right umbrella to meet this goal in the Atlantic Ocean, and the Gulbenkian Oceans Initiative, from the Calouste Gulbenkian Foundation, in Portugal wants to contribute actively to this challenge.

Lisbon, February 14th, 2013.

The Gulbenkian Oceans Initiative Team,

Catarina Grilo

Filipa Saldanha

Gonçalo Calado

Calouste Gulbenkian Foundation

Av. de Berna, 45A

1067-001 Lisboa

PORTUGAL

Email: oceanos@gulbenkian.pt