

14<sup>th</sup> June 2022

To whom it may concern,

Natural Capital Ireland (NCI) welcomes the opportunity to input into the Public Consultation on Ireland's Second Implementation Plan for Sustainable Development Goals (SDGs) 2022-2024. NCI is a not-for-profit organisation leading the national conversation on natural capital (view our website [here](#)). We are a group of organisations and individuals from academia and public, private and NGO sectors interested in the development and application of the natural capital approach in Ireland.

Our response offers a framework which we believe will assist the Government in assessing more accurately, and more holistically, the benefits and costs of both individual aspects of the Second National Implementation Plan for SDGs 2022-2024, and its overall national impact on the implementation of all 17 SDGs. NCI believe that this SDG Implementation Plan is hugely relevant in terms of preserving, restoring and augmenting our natural capital (our biodiversity and ecosystem services), the frequently unrecognised range of resource values essential to the realisation of all 17 SDGs. We are ultimately entirely dependent on healthy biodiverse ecosystems (our natural capital) for functional societies and economies, and for our very survival (see Image 1 below). Our response sets out the importance of embedding the natural capital approach into all Government policy and decision-making. We also include a number of comments regarding this Implementation Plan.

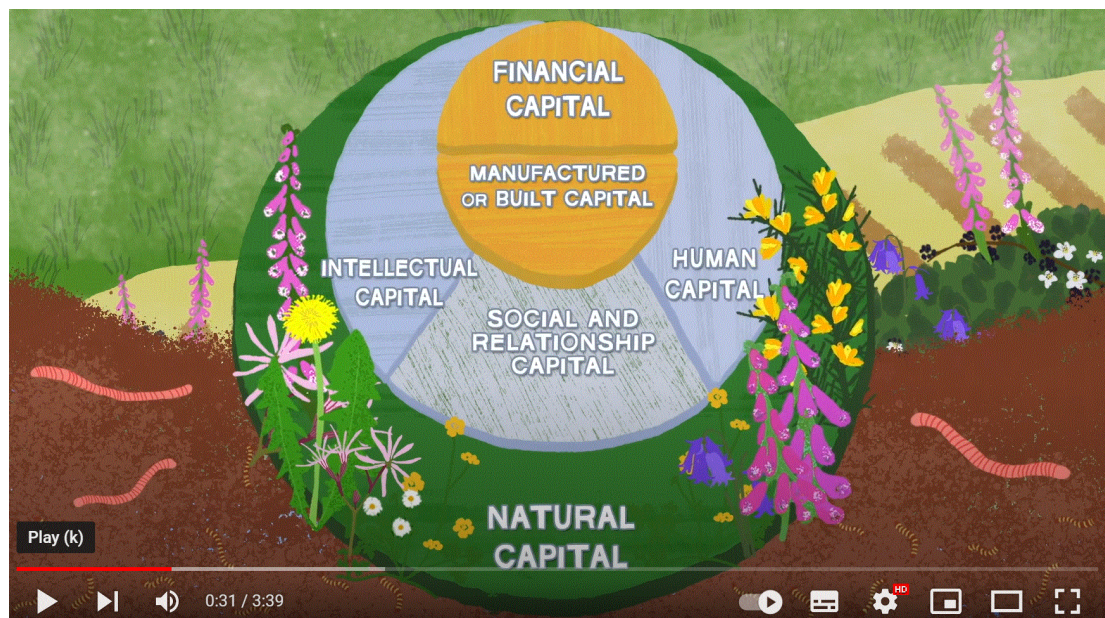


Image 1. Image from [video on Natural Capital on Farmland](#) (produced by Natural Capital Ireland)

We are now in the third year of the Decade of Action for the SDGs. Ireland has an international commitment to Agenda 2030 for Sustainable Development and the SDGs are to be achieved by 2030. As stated by the UN Department of Economic and Social Affairs in relation to Agenda 2030:

*‘At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests’.*

The main aim of our submission is to demonstrate how valuable the natural capital approach would be for achieving the Second National Implementation Plan for SDGs. This second SDG Implementation Plan provides an opportunity for the Government to consider a more holistic approach to policy implementation and as an opportunity to provide a whole-of-Government response to the objectives of the 17 SDGs. The five objectives set out in this Implementation Plan reflect a *whole-of-Government* and *whole-of-society* approach to achieving the objectives of the 17 SDGs. The proposed strengthening of the SDG national implementation and governance structures are welcome, in particular the cross-departmental approach, the inter-departmental working group, improved stakeholder engagement (via the National Stakeholder Forum), and actions to improve reporting on specific targets and how to achieve them.

We believe that the natural capital approach makes visible values (both benefits and costs) that are obscured or invisible in conventional evaluations of the economic and environmental impacts of policies across the whole range of human activity. We therefore propose this approach as a framework in which the Second Implementation Plan for SDGs could be embedded, and which can reveal values and relationships within it that would otherwise remain invisible. NCI suggests that the SDG Implementation Plan be considered and assessed through the lens of natural capital and employing natural capital accounting for policy development and decision-making.

Natural capital approaches, and natural capital accounting specifically, present a means to support policy and decision-making with a much wider range of analysis/data than that offered by conventional approaches, because it builds in the fullest possible range of environmental – and cultural – costs and benefits in the assessment of any policy. It is also valuable because it can be used continuously to monitor the full cost-benefit performance of any policy into the future. The Natural Capital Approach should be embedded in the overarching structure of the Government’s approach to achieving the implementation of the SDGs by 2030.

NCI’s vision is for an Ireland in which natural capital and ecosystem goods and services are valued, protected and restored. Our mission is to help to value, protect and restore Ireland’s natural capital and ecosystem services. We do this by supporting the adoption of natural capital concepts in public policy and corporate strategy, promoting informed public and private sector decision-making and assisting in the establishment of a national natural capital accounting standard as required by the EU [see below].

The topic of natural capital is growing in importance at the European level and nationally:

- In late 2019, the European Green Deal was announced, which states that “*all EU policies should contribute to preserving and restoring Europe’s natural capital*”. In June 2020, the EU published its new Biodiversity Strategy, which states that by 2050, “*the EU’s natural capital*

*will be protected, valued and appropriately restored*". Further, the Strategy sets a target to bring at least 10% of agricultural land under management for biodiversity, which can only be achieved with community support.

- Nevertheless, the economic benefits delivered by natural capital still remain very undervalued and underrepresented in government policy. Properly accounting for natural capital can help make these values visible, revealing both Ireland's hidden wealth which enriches us, and the hitherto invisible factors that, by degrading natural capital, impoverish us. Natural capital concepts are already found in a range of flagship national policies, including the National Planning Framework, the National Biodiversity Action Plan 2017-2021, the National Adaptation Framework, and Heritage Ireland 2030 – but much more can be done to embed natural capital thinking in decision making. The 4th National Biodiversity Action Plan 2023-2027 is currently being drafted and NCI advocates that the natural capital approach and natural capital accounting should inform the Plan, in line with EU-wide adoption of the UN System of Environmental Economic Accounting ([SEEA](#)), and proposed changes to the EU Regulation on Environmental Economic Accounts. As part of natural capital accounting, Ecosystem Accounting ([SEEA-EA](#)) aims to reorient policies to deliver sustainable development and improved human well-being by measuring and valuing the extent, condition and services of Irish ecosystems as part of the System of National Accounts under the Central Statistics Office's [Irish ecosystem accounting](#).
- The recent World Economic Forum's Global Risks Report (2022), states that the top three most severe global risks are climate inaction, extreme weather, and biodiversity loss; all of which are inter-related risks that compound each other. These risks are a direct threat to our natural capital, and also stem largely from our failure to conserve and restore it.
- The recent establishment of the Citizens Assembly on Biodiversity Loss in 2022 provides an opportunity to understand the relationship between biodiversity and natural capital in that biodiversity is a key element of our natural capital. Reversing biodiversity loss will benefit our natural capital which we rely on to mitigate, and adapt to, the impacts of climate change.
- The recent announcement on the reform and additional investment in the National Parks and Wildlife Service (NPWS) is welcome, if long overdue. National and international legal obligations to achieve the SDG objectives and targets must be prioritised by Government and supported by adequate and long-term resourcing.
- The recent National Biodiversity Conference 2022 brought together government departments and a wide sector of society to highlight the significant challenges we face due to biodiversity loss and the impact that inaction has on all of society. The conference provided an opportunity to inform on how to protect and restore our biodiversity, which is part of our natural capital and which includes the necessity of implementing Nature-based Solutions (NbS) to mitigate against the impacts of climate change. Successful NbS rely on healthy biodiverse ecosystems in order to achieve the desired outcomes.

### How does natural Capital relate to the SDGs?

Natural capital is an economic metaphor for nature; a concept that frames the world's resources like plants, animals, water, and minerals as assets or stocks that yield a flow of benefits to people. Natural capital encompasses our biodiversity, the habitats and ecosystems it inhabits and creates, and the wider landscapes and seascapes which it influences and regulates. As such, the natural capital approach is deeply concerned with the conservation and sustainable use of biodiversity.

The importance of the conservation and wise use of biodiversity and the benefits provided by healthy ecosystems to sustainability has long been understood and recognised by the scientific community and in the context of international sustainable development policy. However, to date this reality has not been sufficiently reflected in national policy.

It is important that for national policy to explicitly recognise that all SDGs are interlinked. Successes in one area of sustainability provide supports for others, with substantial economic, cultural, social and environmental benefits obtainable through careful and co-ordinated actions across the SDGs. Conversely, failure to ensure co-ordination - and effective cross-sector, whole-of-government partnerships – for the SDGs will result in missed opportunities, wasted resources and limited success.

Whilst two of the SDGs deal explicitly with biodiversity (SDG 13, Life Below Water, and SDG 14, Life On Land), research has shown that they underpin several other of the global goals and contribute substantially to all seventeen SDGs (see Image 2 below). A large and growing body of research shows that biodiversity-focused SDGs can act as multipliers for co-benefits across all goals. Similarly, incorporating natural capital approaches into the other SDGs is essential to ensuring that the biodiversity-focused SDGs – and all related biodiversity policy and action plans – are achieved. Whilst trade-offs often come into play and must be examined in an open and participatory fashion, grounding such considerations in a natural capital approach, where the essential role of natural capital (biodiversity, ecosystems, and the benefits they provide) in supporting human well-being is placed at the fore, can minimise conflicts and maximise success. NCI strongly advocates that this relationship between nature and all four pillars of sustainability (economic, cultural, social and environmental) is explicitly recognised and incorporated within the second implantation plan for the SDGs.

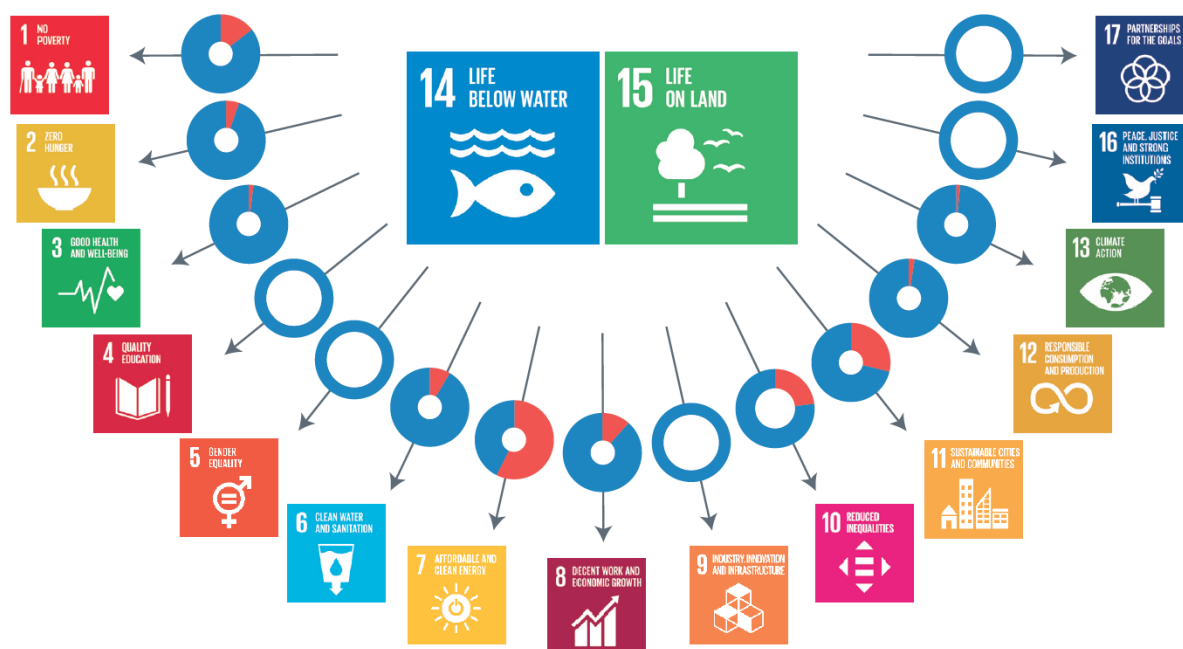


Image 2: The contribution of biodiversity-focused SDGs to other SDGs. From Obrecht *et al.*, 2021.

(Obrecht A, Pham-Truffert M, Spehn E et al (2021) Achieving the SDGs with Biodiversity. Swiss Academies Factsheet 16 (1))

## How can the natural capital approach support the Government's Second Implementation Plan for SDGs 2022-2024?

In order to protect, restore and enhance our natural capital, we must first understand the extent and condition of existing natural assets. In other words, we must establish a baseline upon which targets for improvement can be set.

NCI is a partner on the pioneering EPA-funded [INCASE project](#) which is the first project to apply Natural Capital Accounting principles to catchments in Ireland. Natural Capital Accounting reports across four main sets of ecosystem accounts – extent, condition, services and benefits - and presents a standardised platform to collate information and regularly report on progress in relation to climate actions, biodiversity conservation and restoration, protection of waterbodies, and good environmental practices in general (as identified in cross-sectoral areas such as agriculture, energy, environment, forestry, nature, marine, planning and water supply/use policies).

The [INCASE project](#) is piloting this natural capital accounting approach in four river catchments across Ireland. The prevailing natural capital accounting approach at country level is the System of Environmental Economic Accounting ([SEEA](#)), which has been adopted by the UN and is in use by about 90 countries worldwide. The SEEA is a guide to integrating economic, environmental and social data into a single, coherent framework for holistic decision-making. This includes SEEA-Ecosystem Accounting ([SEEA-EA](#)). As part of natural capital accounting, Ecosystem Accounting (SEEA-EA) aims to reorient policies to deliver sustainable development and improved human well-being by measuring and valuing the extent, condition and services of Irish ecosystems as part of the System of National Accounts. We encourage the Department to engage with the [Ecosystem Accounts Division](#) of the Central Statistics Office in order to contribute to the task of developing such Irish ecosystem accounts as part of the SDGs Implementation Plan.

There is a range of articles, blogs and supporting videos available from the [INCASE](#) website. Evidence supporting the natural capital approach has been gathered through the [INCASE](#) project. Three recent articles relating to the natural capital approach and natural capital accounting relevant to this consultation are listed below:

- Farrell C, Aronson J, Daily G, Hein L, Obst C, Woodworth P, Stout J (2021) Natural capital approaches: shifting the UN Decade on Ecosystem Restoration from aspiration to reality. *Restoration Ecology* <https://doi.org/10.1111/rec.13613> (accessed 11<sup>th</sup> April 2022).

*This article highlights a number of initiatives globally that are applying natural capital approaches for national accounting, land use, business support and health and wellbeing.*

- Farrell CA, Coleman L, Kelly-Quinn M, Obst CG, Eigenraam M, Norton D, O'Donoghue C, Kinsella S, Delargy O, Stout JC (2021) Applying the System of Environmental Economic Accounting-Ecosystem Accounting (SEEA-EA) framework at catchment scale to develop ecosystem extent and condition accounts. *One Ecosystem* 6: e65582. <https://doi.org/10.3897/oneeco.6.e65582> (accessed 11<sup>th</sup> April 2022).

*This article outlines the approach to gathering data to develop extent (developing an asset register) and ecosystem condition accounts at catchment scale.*

- Farrell CA, Stout JC (2020) Irish Natural Capital Accounting for Sustainable Environments: Stage 1 Feasibility Report. [www.incaseproject.com](http://www.incaseproject.com) URL:

<https://www.epa.ie/publications/research/biodiversity/research-322.php> (accessed 11<sup>th</sup> April 2022).

*This report presents a good overview of the UN System of Environmental Economic Accounting Ecosystem Accounting and potential applications in the Irish context.*

The [INCASE project](#) pilot can be built upon to develop a national strategy for the management and enhancement of Ireland's natural capital. This would closely align with current government initiatives such as the National Land Use Review, the development of a National Soil Strategy, revision of the National Biodiversity Action Plan, and expansion of Ireland's MPAs network; and Department priorities such as sustainable, balanced development and sustainable management of water resources from source to sea under the EU Water Framework Directive.

We would encourage the Government to engage with the Ecosystem Accounts Division of the Central Statistics Office in order to contribute to the task of developing such [Irish ecosystem accounts](#) as part of the Second SDG Implementation Plan.

In addition to the above publications, we would also direct you to a [report](#) from the Natural Capital Committee in the UK which provides a case study on the role of natural capital in the water industry – this would link in with numerous SDGs including, but not limited to, Goal 3 (Good health and well-being), Goal 8 (Clean water and sanitation), Goal 11 (Sustainable cities and communities); Goal 12 (Responsible consumption and production), Goal 13 (Climate action), Goal 14 (Life below water) and Goal 15 (Life on land). The natural capital approach could, for example, be used to identify which features in the natural environment (i.e. ecosystem services) contribute to water quality regulation. This can help facilitate targeted ecosystem restoration to reduce water treatment costs for the industry over time.

We would further highlight a statistical bulletin from the UK Office of Statistics on [UK natural Capital: peatlands](#). The report outlines how natural capital accounts for peatlands measures the ecosystem services which nature provides from these extremely important ecosystems, including drinking water, carbon sequestration, climate regulation and recreation. The report highlights how peatlands and Nature-based Solutions can be links to the SDGs.

## **General comments on Second National Development Plan for the SDGs 2022-2024**

- The second SDG implementation plan provides a good framework and as mentioned previously, the cross-departmental and cross-functional emphasis is welcomed.
- In terms of Local Authorities, a key action is auditing and mapping of plans and policies against the 17 SDGs, as undertaken by Dublin City Council. This would help identify not just '*how the SDGs have been incorporated and highlight examples of best practice*' (Measure 29a), but also the gaps that need to be addressed in the short-to-longer term.
- The sentiment of 'leaving no one behind' is also very good to see. Many of the SDGs will gravitate back to climate change over coming decades as this will be a key driver of change. There are many analysis reports available from the World Health Organisation and the [United Nations](#). Looking to the future, SDGs will be even more interrelated with knock on impacts, e.g. climate change will change the availability and cost of food, amount and distribution of water; rising temperatures will mean the transmission of new diseases,

etc.. Protecting and enhancing natural capital is a key priority with multiple social and environmental benefits in strategies to mitigate and adapt to climate change impacts.

- While stakeholder engagement is seen as essential and there are plans for better representation of stakeholder in the national SDG Stakeholder Forum, there is inadequate detail on how this is to be achieved. Furthermore, there is little detail on how to improve awareness and engagement with practices that promote sustainability among civil society and communities.
- The [SDG Geohive](#) (Ireland's hub for SDGs) is a highly valuable resource. However, it must be kept up-to-date if it is to be a valuable resource for policy and practice. For example, the map of the status of Ireland's rivers is based on 2015 data, rather than updated with the more recent EPA data.
- On page 36 it states that '*While Ireland remains above the EU average for SDG 6 Clean Water and Sanitation and SDG 15 Life on Land, it is currently moving away from progressing those SDGs*'. Although we may be above the European average, we still have significant biodiversity issues relating to water and land. In summary, the strategy must aim to progress all SDGs cognisant of their interconnections and the prime importance of the biodiversity and climate crises, as these affect most, if not all of the SDGs.
- Integration within all Programme for Government functional areas is the priority with clear sustainability outcomes. It does need to be resourced but following the SDGs can also save money and it is important to acknowledge that behavioural change is the key to the success of delivering on the objectives of the SDGs. This behavioural change must cross all sectors of society and Government.

The past number of years have been challenging in terms of the global pandemic, political unrest, and humanitarian crises. Climate change, biodiversity loss, which are expressions of the critical erosion of our natural capital, pose further challenges to our societies and exacerbate the political and economic challenges we are also facing. It is stated in this second SDG Implementation Plan that:

*'the framework provided by the SDGs will ensure a sustainable, inclusive recovery and an equitable future for all people, especially the most vulnerable. Our objective is to build back better and to align our economy for the digitalised and green future and make overarching structural changes to break the link between fossil fuels and economic progress'.*

Protecting, restoring and ultimately augmenting our natural capital is key to achieving these objectives.

## Closing comments

Natural capital is highly relevant to many of the areas under the Department's remit, including planning and sustainable development, the National Parks and Wildlife Service, water management, emergency planning, the gathering of weather and climate information. Given the wide range of policy areas covered by the Government, a natural capital framing could provide the holistic, whole-of-government approach that would strengthen policies and avoid duplication across policy areas.

The NCI calls on the Government to embed the natural capital approach as a core decision-making tool across the all Government departments, and as part of broader cross-departmental co-ordination on the conservation and sustainable use of biodiversity. This could include the establishment of an

Irish equivalent to the UK's [Natural Capital Committee](#), or inclusion of natural capital approaches in the remit of a cross-departmental working group on biodiversity. This cross-departmental working group could operate in the same way as the Senior Officials Group on SDGs, to deliver a national register of natural capital assets.

The UK government established their Natural Capital Committee (NCC) in 2012. The Committee of experts provides advice to all government departments on the sustainable use of natural capital. The NCC has provided advice to the UK government on a range of policy areas including:

- Advice on how to use natural capital to appraise and evaluate policies, projects and programmes (HM Treasury's "Green Book");
- Advice on establishing an environmental baseline census of natural capital stocks;
- Advice on marine management;
- Advice on improving cost benefit analysis of projects that affect the natural environment.

The NCI believes that the establishment of a similar Natural Capital advisory group would support the Department in synergising environmental, social and economic considerations in its decision-making.

We hope you find the points above offer opportunities to expand, deepen and co-ordinate policies across the whole range of economic, environmental, social and cultural values, and we would welcome the opportunity to work closely with the Department to deliver on the Second Implementation Plan for SDGs 2022-2024 over the coming years. Please contact us for clarifications, and further information at [researchteam@naturalcapitalireland.com](mailto:researchteam@naturalcapitalireland.com).

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