

**RECOGNISING THE VALUE OF PROTECTED AREAS (IN THE ECONOMICS OF ECOSYSTEMS AND BIODIVERSITY (TEEB) REPORT FOR POLICY-MAKERS)**

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Protected areas are a cornerstone of conservation policies and provide multiple benefits for humankind (Balmford & Whitten 2003, Mulongoy & Gidda 2008, Kettunen et al. 2009, Dudley et al. 2010). Well-managed protected areas tend to be particularly important in terms of providing vital ecosystem services, such as water purification and retention, erosion control and reduced flooding and unnatural wild fires. They buffer human communities against different environmental risks and support food and health security by maintaining crop diversity and species with economic and/or subsistence value (Dudley & Stolton 2003, Stolton et al. 2006, Stolton et al. 2008). They also play an important role in ecosystem-based approaches to climate change adaptation and contribute to mitigation by storing and sequestering carbon. Furthermore, protected areas are often an important part of local cultural heritage and identity, in addition to their recreation, education, health and tourism benefits. Finally, as many rural communities depend on protected areas for subsistence and livelihoods, protected areas contribute directly to global sustainable development and poverty reduction targets (Dudley et al. 2010, Mulongoy & Gidda 2008).

According to current estimates, the loss of biodiversity and ecosystem services at the current rate for the world as a whole is likely to result in annual costs of 50 billion EUR over the period 2000 – 2010, reaching a total cost of 275 billion EUR/in year 2050 (TEEB 2008). The total global loss of welfare due to the cumulative loss of biodiversity and ecosystem services is estimated to be equivalent to 7 per cent of projected global GDP for 2050.

As for protected areas, it has been estimated that worldwide nearly 1.1 billion people – one sixth of the world’s population – depend on protected areas for a significant percentage of their livelihoods (UN Millennium Project 2005). Ecosystems within protected areas provide benefits of various natures at all levels: locally, nationally and globally. At the global level, the analysis of the existing information on the value of protected areas indicates that global benefits of protection can far outweigh costs. Furthermore, findings from a diverse range of case studies indicate that the benefits from biodiversity conservation often outweigh benefits from converting wild or extensively used habitats into intensively used agricultural or silvicultural landscapes.

However, benefits from the protection of ecosystems are often broadly disbursed, long term and not captured by markets, while the costs of protection and the earning potential from non-protection choices are often short-term and concentrated. Consequently, whereas the global benefits of biodiversity outweigh global costs, this is often not apparent at national and local levels, because most of the costs of protected areas are met at these levels and these often exceed benefits at these levels. Therefore, policy actions are urgently needed to address the distribution of benefits and costs. Such policies are vital to make protected areas a socially and economically attractive choice and to maximise their contribution to human wellbeing at all scales. The work on the socio-economic value of protected areas has been developed in the context of the Economics of Ecosystems and Biodiversity initiative (TEEB), launched in 2007. TEEB is an independent study that draws together information from all regions of the world in the fields of science, economics and policy to develop a global study on the economics of biodiversity loss. ([www.teebweb.org](http://www.teebweb.org))

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