

MEDIA RELEASE

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\$2m project to help put a dollar value on forest and farmland environmental benefits

A collaborative research project will help industries put an economic value on the environmental benefits they offer using a system known as Natural Capital Accounting.

An initiative of Forest and Wood Products Australia (FWPA), the three-year, \$2 million project to be launched today in Wauchope NSW by Deputy Prime Minister Barnaby Joyce. Funded by Government and industry, the project will be spearheaded by CSIRO and also involves fishery and cotton industry groups.

Natural Capital Accounting is an internationally-accepted way of valuing natural assets such as timber, fisheries, soil, air, biodiversity, land and water.

The Managing Director of FWPA, Ric Sinclair, said many of these were not included in economic measures such as GDP despite their undeniable importance.

“Forests offer environmental services including water quality improvements downstream, flora and fauna habitats and carbon storage,” he said.

“By quantifying how we can value such services, we may be able to capitalise on them in new markets down the track, for example with agencies which have statutory obligations.

“Natural Capital Accounting can also help companies in sustainability certification programs, and enable them to back up their environmental credentials in a market where customers increasingly expect companies to provide evidence, not just assertions.

“The project will work with industry stakeholders directly, to establish tools that are evidence-based, useable and industry-friendly – with outputs that are transparent, verifiable and auditable.

“Financiers and shareholders are also likely to favour companies that can demonstrate that they are not reducing natural capital and are sustainable.”

The project is a collaboration between:

- Research Agencies, led by the CSIRO and supported by the Bureau of Meteorology and Australian Bureau of Statistics;
- Rural development corporations, Forest and Wood Products Australia, Cotton R&DC and Fisheries R&DC; and
- Industry.

Forestry companies including HVP, OneFortyOne and VicForests have also contributed funding.

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Images of the launch will be made available on request after the launch.