

## **Beyond Brexit: Embedding a Natural Capital Approach; from Policy to Practice**

Like most sectors, Brexit is attracting considerable attention from within the environment sector given the potential risks and opportunities that it presents. EU legislation has been the main driver of environmental standards and nature protection laws in Northern Ireland. Given the risks posed by the removal of EU legislation, the Northern Ireland Environment Link (NIEL) Brexit Coalition has established a number of dedicated working groups to develop and promote new policy proposals for agriculture, fisheries and environmental governance.

Leaving the European Union presents a unique opportunity to enable reform in Northern Ireland, in areas such as agricultural policy and environmental governance. Given the considerable regulatory challenges that have arisen in Northern Ireland (the only part of the UK that does not have an independent Environmental Protection Agency), Northern Ireland could benefit from the creation of a UK wide common framework for environmental governance. Furthermore, agricultural policy reform could enable a new approach, which changes the focus of the Common Agricultural Policy subsidy model by allocating money to landowners for the delivery of public goods, rather than according to the size of land holdings.

Beyond Brexit, the political vacuum and subsequent 'lack of Ministerial direction' continues to stifle local policy development. For example, while the UK government embarks on a war against plastic and continues to refine its 25 Year Environment Plan, the lack of a NI Executive and Assembly continues to hamper similar progress in NI. This is particularly disappointing given the desperate need for a strategic plan for Northern Ireland's environment. Northern Ireland was at the forefront of introducing the levy on single use carrier bags in the UK. While other UK devolved regions are set to build on this progress with new measures to tackle plastic, it is unclear whether we will benefit from similar initiatives here.

One policy that is being tentatively progressed in Northern Ireland is in the area of natural capital. The rationale underpinning a natural capital approach is that if landowners and businesses, central and local government all produced natural capital accounts alongside financial accounts; there would be greater accountability for the state of nature. In turn, this could lead to greater investment in, and protection of, nature and the services that it provides.

Natural capital is defined as “...*elements of nature that directly or indirectly produce value or benefits to people, including ecosystems, species, freshwater, land, minerals, the air and oceans, as well as natural processes and functions*” (UK Natural Capital Committee, 2014). These benefits (often referred to as ecosystem services) include food production, regulation of flooding and climate, pollination of crops, and cultural benefits such as aesthetic value and recreational opportunities. Using a natural capital assessment (figure 1), it is possible to understand the extent and condition of those assets, so the flow of ecosystem service benefits from those assets can be established and valued.

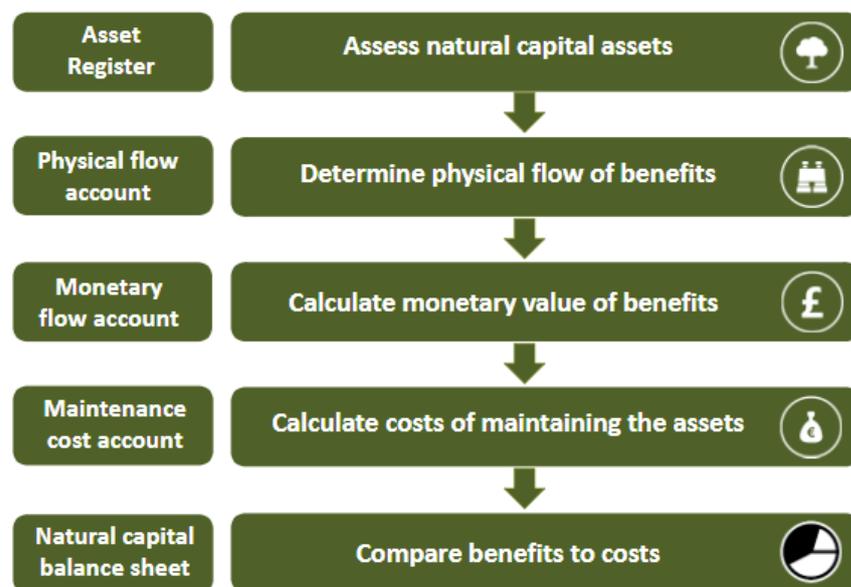


Figure 1: The Natural Capital Assessment Approach

This approach has gained a new status in UK environmental policy and is considered integral to the delivery of Defra’s 25 Year Environment Plan. Natural capital assessments have been championed as an efficient, practical and readily understandable approach to supporting more effective policy and investment decisions. With natural capital commitments featured in the Draft NI Programme for Government, the Department for Agriculture and Rural Affairs has supported NIEL to commission pilot natural capital assessments and assess how the natural capital approach can move from policy into practice. This policy agenda specifically responds to the guidance offered by the UK Natural Capital Committee (2017) which recognises the need for *‘pioneer projects to test different initiatives’* which can help move the natural capital agenda *‘from aspiration to practical delivery’*.

The pilot projects have successfully applied the natural capital approach to two urban sites in Northern Ireland, namely Bog Meadows and Minnowburn. As well as advancing the understanding of the importance and practicalities of undertaking Natural Capital assessments, the pilots reveal the range and scale of benefits that these areas, and those who manage them, provide to the public.

The natural capital approach is straightforward and transparent and can have a powerful and positive influence on decision-making. First, natural capital assessments can inform the development of investment plans for strategic locations. Second, they can inform development and land use-planning decisions through their integration into Local Development Plans and policies, helping to determine the most appropriate locations for development. Third, they can form part of a natural capital and biodiversity net gain policy to ensure all new developments achieve net benefits for people and the environment. Finally, assessments could inform the calculation of agricultural support payments, which is timely in the context of Brexit.

The natural capital approach demonstrates the value of the natural environment to society and the importance of investing in and protecting our finite stock of natural assets. Yet not all the values associated with nature can be monetised, which presents an ongoing challenge for the way in which natural capital tools and methodologies are developed. However, the approach has great potential to advance the way in which the value of nature

and our long-term prosperity is reflected in decision-making.

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