



# PREEN newsletter

Pacific Resource and Environmental Economics Network

Issue 10

June 2014

Dear members of PREEN,

Welcome to the June 2014 edition of the PREEN Newsletter.

This edition includes details of current projects in the field including an economic valuation of the Vatu-i-Ra Seascape of Fiji, and results from the first pilot study in the Alternative Indicators for Melanesia Initiative. You will find information on the recently released ADB report on the economic costs of the water and sanitation situation in Tarawa, Kiribati, as well as recent training events on economics for sustainable resource use and conservation.

We welcome new articles as they emerge so please do share your new findings, projects and events with us to keep the network informed of developments in the Pacific.

Best wishes

Anna Rios Wilks  
PREEN coordinator

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# RECENT EVENTS



## Economic Tools for Marine Conservation in the Western Pacific

A two week work shop was held by the Conservation Strategy Fund from March 17-28 in Palau. Twenty-five participants from 4 countries and over 20 organizations attended. Participants were provided classes, exercises and games to enforce concepts ranging from microeconomic foundations to natural resource economics and environmental valuation.

The final two days of the course covered cost-benefit analysis to give participants an insight into how all of the material learned can culminate in analysis to inform policy makers of the overall impacts of projects. Instructors travelled from universities and institutions in Australia, Fiji and the US.



Source: Dean Miller 2014



Source: Dean Miller 2014



## Workshop for Ecosystem Service Valuation

PREEN member Jacob Salcone held an ecosystem service valuation workshop in the IUCN regional office (Suva) in April of this year. IUCN hosted the workshop as part of their contribution to the MACBIO Project (Marine and Coastal Biodiversity Management in Pacific Island Countries and Atolls). The value of such a workshop can be seen not only through the large turn out on the day, including Dr Andrew Seidl, an expert in the field, but also the exciting and on-going working group discussions

The MACBIO project is being carried out in five of the Pacific Islands Countries: Fiji, Kiribati, Solomon Islands, Tonga and Vanuatu. MACBIO aims to strengthen sustainable management of marine and coastal ecosystem services via assistance with marine spatial planning, analysis of Locally Managed Marine Areas best practices, and economic assessments in accordance with The Economics of Ecosystems and Biodiversity framework. Each country has their unique geographic, environmental and economic characteristics, and will be studied by a team of economists. Among other things, the project aims to estimate as far as possible the economic value of marine and coastal ecosystem services in the countries. This is an ambitious undertaking and likely challenges were discussed at the workshop, in particular the obtaining sufficient and reliable data sources. Presently, both business and household surveys are being carried out in Tonga to support the quantification and valuation of ecosystem services.

It is hoped that the results will be used to inform policy makers of the areas with most economic value and aid decisions about marine spatial planning and conservation. The project is being implemented by the German Agency for International Cooperation (GIZ) in partnership with IUCN Oceania and is supported by the Secretariat of the Pacific Regional Environment Programme (SPREP).

For more information please contact Jacob Salcone at: [JacobMichael.Salcone@iucn.org](mailto:JacobMichael.Salcone@iucn.org)

## SPC/FAO Course on Sustainable Forest Management

Fiji hosted a Forest Resource Policy course run by SPC and FAO in Nadi this June. The course was aimed at senior government officials from the region. The two week course covers environmental and economic elements to be taken into consideration when making decisions on how the country should use its forest resources. It is hoped that more informed decision making will allow Pacific Island Countries to use resources to bring in foreign revenue and employment to rural areas, while managing the forests in a sustainable way in order to optimise the long term benefits from this valuable resource, including the support that the forest will provide communities in adapting the future climate change.

For more information please contact Vinesh Prasad at: [vineshp@spc.int](mailto:vineshp@spc.int)



Source: Vinesh Prasad





# RECENT EVENTS



## 9<sup>th</sup> Pacific Islands Conference on Nature Conservation and Protected Areas Side-session: What impacts to expect from economic valuations of coral reefs?

A side session of the 9th Conference held in Suva Fiji in December 2013 was dedicated to the use of economics in conservation policy. The work-shop style session specifically focussed on two broad topics (1) Regional networking for coral reef ecosystem assessment and reporting; where participants discussed how to facilitate enhanced data access and information sharing; and (2) An ecosystem service approach to supporting decisions on public and private investments in coral reef management; where participants brainstormed innovative ideas on how economic instruments can be used to incentivise financing ecosystem services. Findings from these two groups are available in the ICRI webpage:

<http://www.icriforum.org/>



Source: <http://www.icriforum.org/ICRIat9PICNCPA>

# RECENT AND ONGOING STUDIES



## Alternative Indicators of Well-Being for Melanesia – Vanuatu Pilot Study

The Alternative Indicators of Well-Being for Melanesia project aims to provide a measure of welfare to be used alongside the traditional income measures when evaluating a country's development. It also took a strong focus on the environmental and natural resource situation. Multiple stakeholders from Papua New Guinea, Solomon Islands, Fiji, New Caledonia, and Vanuatu are involved. A pilot study was carried out in Vanuatu in 2012 and work is ongoing to incorporate these indicators the national projects and initiatives beginning in 2016.

The 2012 study survey was conducted on a subset of the rural households surveyed in the HIES. Quota sampling was used to ensure that only Melanesian households were used in the study and that from these Melanesian households quotas were met for gender, village size and language.



# RECENT AND ONGOING STUDIES



It aimed to evaluate the Melanesian population's welfare using a subjective wellbeing approach to determine how inhabitants feel about aspects of their life. This means that they were asked to rank how they feel about elements of their life from 1 to 10 using a coconut tree diagram, as pictured below.

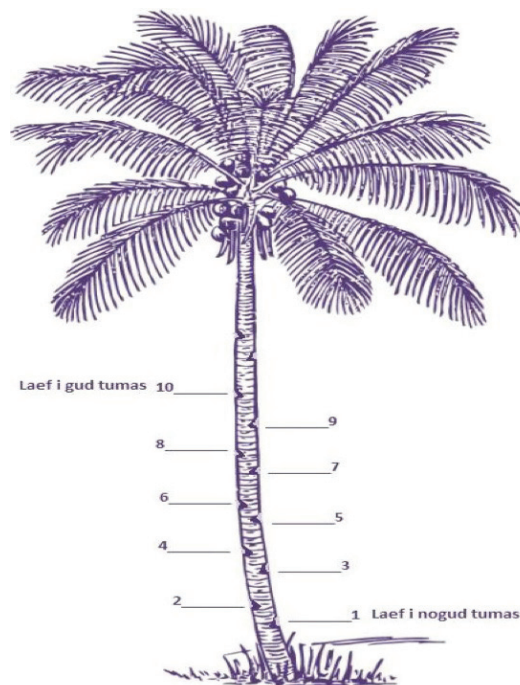
In 6 of the 10 regions included in the study, the average “happiness” was higher in urban areas rather than rural. Nevertheless, the average “happiness” was higher in rural areas when all regions were aggregated. Mean happiness increased slightly with family size and those who had never married or were widowed were happier than other groups.

The main causes of stress included finances, family, health and land issues, although the majority of respondents said that their customary land provided enough or more than enough for their families.

Interestingly, when respondents were also asked to evaluate their past, present and expected future happiness. Highest values were given on average for the future and lowest values were given for the past; signalling an “optimistic outlook on life”. This human trait has been found in other regions of the world.

Information was also collected on a range of different variables including; traditional governance, safety, respect, cooperation, cultural participation, environmental protection, and church cooperation.

The same study will be replicated in Vanuatu in 2015 in order for comparisons to be made against the 2012 baseline which can be found at <http://www.msgsec.info/index.php/divisions/programs-division/projects>



## Economic Valuation of the Vatu-i-Ra Seascape

In March 2014 the Wildlife Conservation Society (WCS) commissioned a short study to undertake an economic valuation of key ecosystem services, such as fisheries production and ecotourism, to estimate the value of the Vatu-i-Ra Seascape.

The Vatu-i-Ra Seascape is an ecologically connected, uniquely productive region that covers the inshore and offshore waters adjacent to Bua, Ra, Tailevu and Lomaiviti. The Vatu-i-Ra Seascape is considered to be one of the most productive areas in Fiji. This productivity is driven by strong currents that pass through the water passage between Viti Levu and Vanua Levu drawing up cooler nutrient-rich waters from the seafloor. The currents also help distribute fish eggs and juvenile fish to other parts of Fiji. This makes it an important area in terms of fisheries productivity, and therefore is of economic importance to the country.

When completed the economic valuations produced by the study will be used to support government and community initiatives to establish networks of marine managed areas in the Vatu-i-Ra Seascape, and improve sustainable fisheries management practices.

For more information please contact Sangeeta Mangubhai at: [smangubhai@wcs.org](mailto:smangubhai@wcs.org)



# RECENT AND ONGOING STUDIES



## Economic Cost of Inadequate Water and Sanitation, South Tarawa

The Asian Development Bank recently released a comprehensive report, put together by Dr Padma Lal on the current water and sanitation situation of South Tarawa. This small group of islets are the economic centre of Kiribati and was home to over 51,000 people in 2010, with an ever increasing population. South Tarawa suffers extreme lack of safe water supply and sanitation practices, with the Government only able to provide residents with 2 out of every 48 hours of piped water. This detailed report, attempts to measure the economic, environmental and social costs associated with Tarawa's failing water and sanitation services which led to over 35,000 reported cases of water-borne disease, 48 deaths and multiple acute outbreaks of illness between 2010-2012. The total economic costs each year are estimated to be A\$3.7–A\$7.3 million, or 2-4 per cent of nominal GDP. The study also identifies the groups in society which are more vulnerable to illness, including female rather than male children and families residing in traditional rather than western style housing.

This study can be downloaded at: <http://www.adb.org/publications/economic-costs-inadequate-water-and-sanitation-south-tarawa-kiribati>

## CBA for achieving the Aichi Targets for Australia and the Pacific

A study has been conducted for the UNEP World Conservation Monitoring Centre (UNEP-WCMC) to assess the benefits and costs of meeting the Aichi Targets for Australasia and Pacific region. It is part of the Second phase of work of the High Level Panel for Assessment of Resources for the CBD Strategic Plan 2011-2020. For access to the results of the study, please contact the authors; Nicolas Pascal and Luke Brander at: [npascal@forest-trends.org](mailto:npascal@forest-trends.org)

## Lagoon Ecosystem Services in New Caledonia

An analysis of the ecosystem services and other key benefits provided by Lagoons of New Caledonia World Heritage site has been conducted. It is part of the IUCN's World Heritage Programme, who together with UNEP-WCMC, are undertaking 'A global analysis of the ecosystem services provided by natural World Heritage sites'. The analysis will focus on key ecosystem services provided by natural World Heritage sites, such as the coastal protection and food provision that they provide. For access to the results please contact Nicolas Pascal at: [npascal@forest-trends.org](mailto:npascal@forest-trends.org)



Source: Dean Miller 2014



# UP COMING PROJECTS AND EVENTS



## Training on Post Disaster Needs Assessments in Samoa, 6-10th October 2014

As part of the African, Caribbean and Pacific - European Union/Secretariat of the Pacific Community "Building Safety and Resilience in the Pacific (BSRP) Project", training will be provided in Apia in October 2014 on post disaster needs assessment (PDNA). PDNA targets comprehensive economic assessment of disasters as a means to plan for medium to long term recovery. This Training will also be used to inform the shape of a forthcoming project to establish a regional pool of experts in PDNA so that countries without national expertise can benefit from improved information and planning.

For further information in the first instance, contact Paula Holland at [paulah@spc.int](mailto:paulah@spc.int)

## IFRECOR studies in French Polynesia and Wallis and Futuna

The "Economics of Coral Reef Ecosystems" project, funded by IFRECOR (French Initiative for Coral Reef) will conduct several studies in French Polynesia and Wallis and Futuna in 2014 and 2015. The project has 2 objectives: (i) to achieve the monetary valuation of coral reef ecosystems (and associated ecosystems such as mangroves and sea grass) for informing and convincing policy makers of their importance (ii) to develop concrete experiences about compensating activities which aid biodiversity and offset negative impacts on coral reef.

For more information please contact Nicolas Pascal at: [npascal@forest-trends.org](mailto:npascal@forest-trends.org)

## Don't forget! The PREEN website and forum open for use

PREEN's new website is up and running available at: <http://www.sopac.org/preen> where you will also find the new PREEN forum. Please use the forum to post updates of your work, comments and queries regarding economic practices in the area of Pacific resources and the environment.

We look forward to receiving feedback and articles from our readers  
Please send these to [annar@spc.int](mailto:annar@spc.int)

The Pacific Resource and Environmental Economics Network...

Aims to progress economic analysis for sustainable resource management in the Pacific by providing a forum for practitioners in Pacific resource and environmental economics to exchange information, ideas and experiences for mutual learning and professional development.