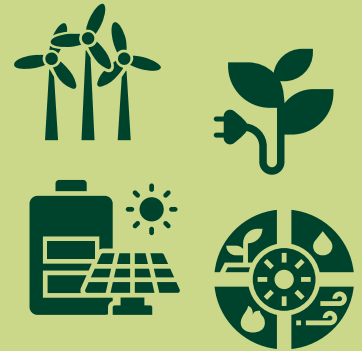


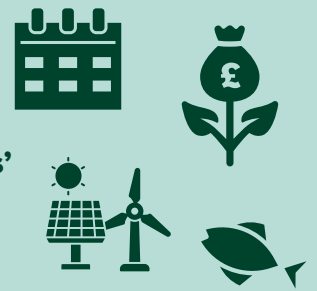
What is natural capital

Natural capital is a concept that recognises the role of our natural environment, alongside its intrinsic value, as an asset that provides flows of ecosystem services which benefit our society and economy. Framing the natural environment in this way emphasises the need to invest in and manage this asset, within safe environmental limits, so that we can continue to enjoy these benefits.



What is natural capital accounting

Natural capital accounting is a way of placing a monetary value on the services provided by nature. It provides a value for both the **'annual flows'** of services (such as fish captured for consumption in a particular year) and **'asset values'** which capture all of the future annual flows of services that are expected to take place over the lifetime of each natural asset.



Scotland is rich in natural capital

Scottish natural capital assets that we can currently value were estimated to be **£206 billion** in 2018, **17% of the UK asset value**.



Services provided by natural capital:

Provisioning Services

Products obtained from ecosystems such as **food, water and materials**



45% of the total asset value

Regulating Services

Benefits obtained from regulation of ecosystem processes e.g. **carbon regulation, water quality, air quality**



55% of the total asset value

Cultural Services

Non-material benefits obtained from ecosystems e.g. **aesthetic experiences, recreation, health and wellbeing**



Overview of services:

Provisioning:

Agricultural biomass

In 2020, Scottish agricultural biomass, the value of crops, fodder and grazing, was equivalent to **17%** of the UK's total.



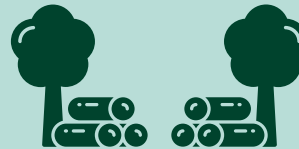
Fish capture

On average, **72%** of UK waters fish capture tonnage came from Scottish waters between 2015 and 2019.



Timber

Scotland represented **59%** of UK timber production in 2020.



Water abstraction

In 2018, the asset value of Scottish water abstraction was **£4.7 billion**, representing an **18% increase** from 2017.



Minerals

In 2018, the annual value of mineral extraction was estimated at **£108 million**, an increase of **£58 million** since 2017.



Fossil fuels

In 2018, fossil fuels were equivalent to **25%** of the value of Scottish natural capital assets, at a value of **£51.14 billion**.



Renewable energy

Scottish electricity generation from renewable sources is **8 times larger** in 2020, compared with 2003.



Regulating:

Carbon sequestration

In 2018, carbon sequestration accounted for **18%** of Scotland's total natural capital asset value.



Air pollutant removal

The avoided health costs attributable to air pollutant removal by vegetation were estimated to be **£84.4 million** in 2019.



Urban cooling

In 2020 the asset value of urban cooling from Green and Blue space in Scotland stands at **£202.7 million**.



Noise mitigation

In 2019, noise mitigation from natural capital led to a saving of **£665,000** in avoided loss of quality adjusted life years associated with a loss of amenity and adverse health outcomes.



Cultural:

Recreation

In 2018, outdoor recreation was valued at **£62 billion**, equivalent to **30%** of the value of Scottish natural capital assets.



Recreation (house prices)

In 2016, recreational asset value - based on the distance from green and blue spaces and the total area these spaces occupy - equalled **£8.74 billion**.



Aesthetic (house prices)

In 2016, aesthetic asset value - based on the view individuals have of green and blue spaces - equalled **£0.85 billion**.

