Economics of Peatlands (benefits, costs, funding)

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Valuing peatland restoration benefits

• Range of ecosystem services, mostly non-market benefits
e.g. food (and fuel), climate and water regulation, cultural

• Carbon benefits – unit values & emission profiles
  £90/ha/yr to £210/ha/yr (to £1350/ha)

• Wider benefits – surveys of public preferences
  £127/ha/yr to £414/ha/yr (Scotland)
  £152/ha/yr to £411/ha/yr (UK)
Stylised time paths
Restoration costs

• Upfront administrative costs
e.g. design, planning etc. (£1k for land manager + £3k to £6k for project coordinator [Hat Tip Tim Thom])

• Upfront capital costs
e.g. grip blocking, gulley reprofiling, revegetating bare peat etc. (£150/ha to £7k/ha)

• Recurrent costs
e.g. repairs, management, monitoring etc. (£60/ha/yr?)

• Opportunity costs
e.g. reduced agricultural output, lost Pillar I funding (£?)
Cost-Benefit Analysis (1.3:1 – 12:1)

£1k/ha rule-of-thumb
Funding

• Agri-environment schemes
  i.e. Pillar II of CAP (England £22m annual maintenance; but post-Brexit?)

• Peatland-specific programmes
  e.g. Scottish Peatland Action (10k ha since 2012; £8m 2017/18)

• Water companies’ catchment management programmes
  e.g. South West Water’s “upstream thinking” (£14m 2015-2020)

• Private funding
  e.g. Peatland Code, Green Bonds (future opportunities?)

• Funding requirement?
Further work

• Restoration costs  
  e.g. standardised reporting; monitoring

• Opportunity costs  
  e.g. more case studies

• Restoration timelines  
  e.g. emission profiles

• Public preferences  
  e.g. more case studies