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Press release

Valuation of natural capital awarded 2012 Volvo Environment Prize

Gretchen Daily, professor at Stanford University in California and one of the world's foremost experts on the valuation of natural capital is awarded the 2012 Volvo Environment Prize. She is convinced that the only way to create long-term welfare is to quantify the value of ecosystems.

Putting a price on nature is controversial among many in the environmental movement. The beauty value of nature, the benefits of living seas, healthy forests and species diversity cannot, say critics, be given a monetary price tag.

“I understand their concern,” says Gretchen Daily, “but today the problem is that so much of the ecosystems and the services we get from them are, in principle, valued at zero. We need to work pragmatically to fix this. If we can demonstrate economically the enormous benefits of pollination by insects or natural protections against climate change and floods, then investments in nature will become part of everyday life. We’re talking about 21st-century environmental protection.”

Gretchen Daily is one of the pioneers of quantifying and valuing natural capital. In 2002 she published her book *The New Economy of Nature: the Quest to Make Conservation Profitable* (written with Katherine Ellison). In 2006 she and others founded the Natural Capital Project, where Stanford University, together with the Worldwide Fund for Nature and The Nature Conservancy, develops methods for measuring the economic value of ecosystem services.

Professor Gretchen Daily is not only a prominent theoretician in her field, she is also in demand as adviser to projects across the world where efforts are being made to protect the biological productivity of land areas while at the same time enabling sustainable economic growth.

Across the world, interest in biological diversity and ecosystem services is rising, especially after the UN Convention on Biological Diversity in Nagoya in 2010. The

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Nagoya Protocol obliges countries to protect nature areas and promote biological diversity. Professor Gretchen Daily confirms that much is beginning to happen.

“It is undeniable that interest has increased in recent years in valuing the benefits of what nature gives us and protecting them for the future. The problem has been to develop valuation instruments and methods. But here too, much has been accomplished – we now have tools of practical use and I believe that in 5 years we will see them widely adopted.”

Gretchen Daily is Bing Professor of Environmental Science at Stanford University in California, and Senior Fellow at the Woods Institute for the Environment, also at Stanford. She has published more than 200 scientific articles and also popular scientific papers.

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For more information about the Volvo Environment Prize and this year's laureate, contact Professor Carl Folke, member of the Scientific committee, tel: +46 (0)708-45 01 02, or Frida Palander, coordinator at the Volvo Environment Prize Foundation, tel: +46 (0)31-772 49 67.

The Volvo Environment Prize was founded in 1988 and has become one of the world's most prestigious environmental prizes. It is awarded annually to people who have made outstanding scientific discoveries within the area of the environment and sustainable development. The laureate is awarded a prize of SEK 1.5 million and is presented at a ceremony in Stockholm on 20 November, 2012.

For more information about the Volvo Environment Prize: www.environment-prize.com

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