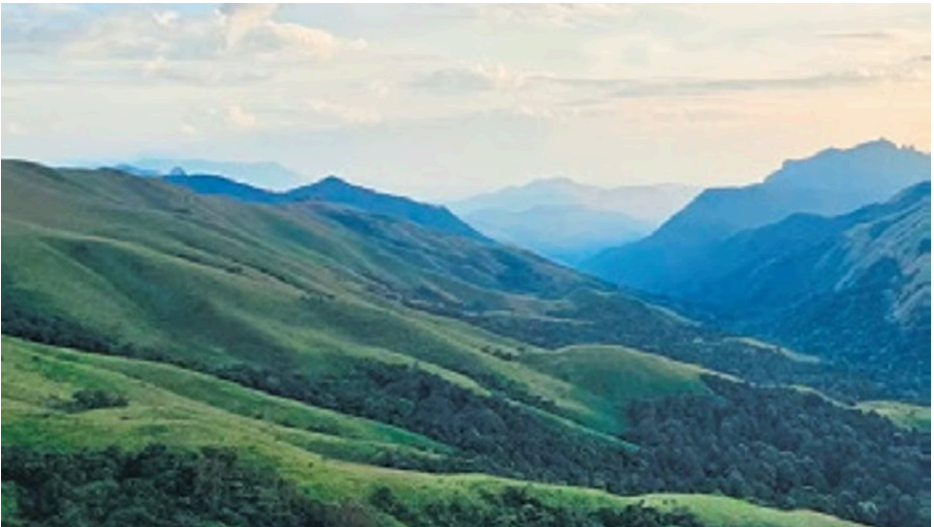




Karnataka

Karnataka's forests are worth Rs 49 lakh crore

This is one of the findings in the yet-to-be-published book, Natural Capital Accounting and Valuation of Ecosystem Services, Karnataka State, India: Ecosystem Services.



The net value of Karnataka's forest ecosystem is worth Rs 49 lakh crore

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BENGALURU: The net value of Karnataka's forest ecosystem is worth Rs 49 lakh crore. The value has, however, dropped from its value of Rs 79 lakh crore in 2005. This is one of the findings in the yet-to-be-published book, 'Natural Capital Accounting and Valuation of Ecosystem Services', Karnataka State, India: Ecosystem Services.

Prof TV Ramachandra, from the Centre for Ecological Sciences, IISc, and co-author of the book, told *TNIE* that the standard calculation method of net present value, and as per the Supreme Court order for renewable resource assets, is calculated at a 3 per cent discounted rate.

Following this calculation, the total net value of the forest resource of the state stands at Rs 49 lakh crore. He added that this is not an achievement, but a worry as the value has dropped from 2005 due to forest degradation, change in land use and other factors. The annual forest value in 2005 was Rs 2,89,400 crore per year, which in 2019 reduced to Rs 1,85,400 crore per year.

“Earlier, we (IISc researchers) had done the ecosystem valuation for Dakshina Kannada. Assessing the works, United Nations asked us to do the valuation for all 30 districts of Karnataka. This is the first such valuation in India where the worth of forests, agriculture and aquatic wetlands has been evaluated.”

Asked about other states, Ramachandra said valuation is yet to be done. The book describes the valuation of services of ecosystems (forests, agriculture and aquatic), tangible and intangible, for Karnataka, as per the validated statistical framework for natural capital accounting – System of Environmental-Economic Accounting (SEEA).

According to SEEA protocol, ecosystem services are defined as contributions of ecosystems to the benefits used in economic and other human activities. The valuation of ecosystem services provides an unbiased framework to value unaccounted ecosystem benefits and helps in developing meaningful policy interventions.

The approach allows for adjusted regional or national accounts which reflect the output of ecosystem services as well as the depletion of natural resources and degradation costs (externalized costs of the loss of ecosystem services) of ecosystems in economic terms.

The team of researchers include Dr Bharath H Aithal, Associate Professor in Ranbir and Chitra Gupta school of Infrastructure Design and Management at Indian Institute of Technology, Kharagpur; Dr Bharath Setturu, Associate Professor at Chanakya University (School of Mathematics and Natural Sciences); Dr Vinay Shivamurthy, Associate Professor in the Department of Civil Engineering, Alva's Institute of Engineering and Technology, Moodbidri, Karnataka; Asulabha KS, Research Scholar in Ecoinformatics, and Sincy Varghese, Research Scholar in Ecoinformatics working on ichthyofauna.

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Valuation of Ecosystem Services

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