



Mainstreaming Nature in Policy and Investment Decisions

Pilot Project Fact Sheet

Chile

Maximizing benefits of natural capital through integrating policies across sectors



Country context

Chile is increasingly recognizing the essential role of nature and biodiversity in securing its resources, enhancing resilience, and sustaining economic productivity. The water code was reformed to prioritize source watershed conservation and integrated management; a new forest protection and restoration law uses zoned areas and economic incentives to encourage regeneration and protection of native ecosystems; and a new National Biodiversity Strategy incorporates economic instruments for conservation. In 2023, the President of Chile established the Chilean Natural Capital Committee. The Committee advises on matters related to the valuation, protection, and restoration of Chile's natural capital, promoting the integration of nature and biodiversity into the country's sustainable development strategy and economic policies.

What will this pilot project do?

This pilot project will support the Natural Capital Committee by providing information on natural capital to further the strategic integration of efforts across sectors, maximizing the value and benefits of Chile's natural wealth in diverse public policies. Specifically, the pilot will implement a natural capital assessment in the Rio Bueno River Basin, identifying key zones that supply ecosystem services to important economic sectors identified by the Chile Natural Capital Committee. The project will also analyze policies related to natural capital in that region to establish gaps, opportunities, and recommendations for using natural capital assessments and accounting (NCAAs) to improve the coordination and implementation of policy actions at the local level.

Note that this is an iterative process and the specifics of the project may evolve.

Key steps

- Develop a natural capital assessment in the River Bueno Basin**, focusing on key ecosystem services for the water, forestry, and biodiversity sectors.
- Develop recommendations for how to incorporate natural capital approaches into policies at the local level** and identify ways to enhance coordination among policies to improve key ecosystem services.
- Develop specific recommendations** based on the results of the natural capital assessment.
- Through collaborative work with the Natural Capital Committee and others, **develop capacity for applying natural capital approaches to local context and needs.**



Key Collaborators: Chile Natural Capital Committee
Ministry of the Environment; Ministry of Finance; Ministry of Economy, Development, and Tourism; Chile Central Bank; and National Council of Science, Technology, Knowledge and Innovation for Development



Project-at-a-glance

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| Type of policy or finance mechanism this will inform: | Various policy instruments and mechanisms in the water, biodiversity and forestry sectors. |
| Planned methods for natural capital approach: | Characterization and valuation of prioritized flows of ecosystem services to prioritized sectors: rural drinking water associations, forestry, agriculture, tourism and hydroelectricity |
| Key issues: | Terrestrial |
| Geographic scale: | Watershed |
| Ecosystem services to be assessed: | Water supply (quantity and quality), global climate regulation services, and recreation and tourism-related services |

Pathway to impact



For more information, please visit the project page: bit.ly/peopleplanetprosperity.
Please contact naturalcapitalproject@stanford.edu with questions about this project!



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