Promoting Nature-Positive Development Through Integrating Natural Capital

Natural Capital Approaches in Chile

Understanding the critical role nature plays in sustaining human wellbeing and economic prosperity, Chile has elevated natural capital approaches, which value nature's benefits to people, into the highest levels of government. In 2023, the President of Chile established the Chilean Natural Capital Committee (NCC) to advise on matters related to Chile's **natural capital** (its natural assets: lands, water, biodiversity) and promote the integration of nature into the country's sustainable development strategy and economic policies. Between 2023 and 2025, the NCC, in collaboration with Stanford University's Natural Capital Project (NatCap) and the Inter-American Development Bank (IDB), conducted a pilot project in the Río Bueno River Basin to adapt methodologies for valuing **ecosystem services** (nature's benefits to people) to the national reality and explore their use in public policy instruments.

Read more on the previous phase of work here:

bit.ly/3PsChile

Project Overview

To advance the adoption of natural capital approaches throughout the country, over the next three years a new phase of work will **expand the integration of natural capital into public planning and decision-making in each of the country's three macro-zones** (north, center, and south). The team will identify where ecosystem services are contributing most to local communities and economies in each region and build this information into local policies that fund nature restoration and nature-positive development. This approach will represent Chile's ecological and socioeconomic diversity and generate learnings that can be transferred to the national level. The project will also coordinate with the NCC's Public-Private Natural Capital Roundtable, which brings together companies, trade associations, and civil society organizations to provide input on the NCC's work.

Key Steps

In each region, the work will:

- Generate natural capital information relevant to the region and a specific policy
- Strengthen institutional capacity and collaboration for using this information
- Align with existing sectoral instruments, ensuring coherence with other policies
- Connect the information with finance mechanisms to fund nature-positive development
- Create practical tools to facilitate implementation of specific regulations and policies

Broader Context

This project is part of a broader effort across international financial institutions and countries to accelerate and mainstream financing of natural capital-based policies and plans in support of positive outcomes for nature and people, coordinated by the Natural Capital Project at Stanford University. It is funded by the Gordon and Betty Moore Foundation and the Stanford Doerr School of Sustainability.

Comité de Capital Natural

Gobierno de Chile

Stanford
Natural Capital Project

IDB

Pathway to Impact

Vision

Advance adoption of natural capital approaches throughout Chile to secure and enhance nature for human wellbeing and economic development.

Key Outcomes

Identify where the most important ecosystem services are located in different macro-zones; inform the design of economic and financing instruments; develop local communities of practice.

Activities

Identify three regions, key groups to engage with, and policies to inform; conduct technical work; integrate information with policies and finance mechanisms.

Key Partners

The Chile Natural Capital Committee and Public-Private Natural Capital Roundtable, Stanford NatCap, IDB.

Policy & Investment Windows

Framework of sectoral laws and technical regulations on environmental assessment, land-use planning instruments, and the Biodiversity and Protected Areas Service. To be defined based on the priorities, needs, and opportunities of each region.

Project Approach

Types of applications for natural capital approaches

Land use planning	Environmental assessment and project siting	Economic instruments for biodiversity	Ecological restoration and nature-based solutions

Workflows

Public policy integration
Advance implementation of key policies and support decision-making processes for nature- and people-positive development.

Financing
Partner with international financial institutions to design public and private financing that promotes and rewards the sustainable use of natural capital in Chile.

Public information assets
Generate information products, guides, and metrics that facilitate use of natural capital approaches, integrated into existing platforms in Chile.

Cross-cutting activity: co-developing capacity
Collaboration mechanisms and capacity-building programs will be established with academic institutions, government services, and professional practice networks to sustain the long-term use of natural capital approaches in decision-making.

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

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