



Press Release

from the
CHESAPEAKE BAY FOUNDATION

October 6, 2014
For Information Contact
John Surrick
443-482-2045
jsurrick@cbf.org

REPORT IDENTIFIES ECONOMIC BENEFIT OF REGIONAL CLEAN WATER RESTORATION PLAN

Reducing pollution increases nature's benefits in New York by \$1.9 billion

ANNAPOLIS, MD – A first-ever analysis released today by the Chesapeake Bay Foundation (CBF) finds that the economic benefits provided by nature in the Chesapeake Bay watershed will total \$130 billion annually when the Chesapeake Clean Water Blueprint is fully implemented. In New York, those natural benefits will exceed \$12 billion a year.

“We all know that reducing pollution makes great sense for our health and our environment, and today we can confirm what we have long thought. It makes good economic sense as well,” said CBF President William C. Baker. “The benefits nature provides to us will increase in value by more than \$22 billion, a 21 percent increase as a result of fully implementing the Blueprint. And we reap those added benefits every year.”

Nature provides many benefits to the region: cleaner water; cleaner air; hurricane and flood protection; recreation; and fresh, healthy food and seafood. These benefits extend to everyone in the Bay's 64,000-square-mile drainage basin, from headwater streams to the Atlantic Ocean.

The peer-reviewed report, produced by economist Spencer Phillips and CBF Senior Scientist Dr. Beth McGee, compared the value of those benefits in 2009, the year before the Chesapeake Clean Water Blueprint began being implemented, to the benefits that can be expected as a result of fully implementing the Blueprint.

The report estimates that the value of natural benefits from the pre-Blueprint Bay watershed, even in its polluted and degraded condition, at \$107 billion. Once the Blueprint is fully implemented and the benefits realized, that amount grows by 21 percent to \$129.7 billion a year. Equally telling, if the region relaxes efforts and does little more to clean up the local waterways, pollution will worsen and the value of Bay benefits will decline by almost \$6 billion.

“The conclusion is clear: The region's environmental and economic health will improve when we fully implement the Blueprint,” said co-author Phillips. “The cleanup-plan was designed with the understanding that all people and communities in the watershed can contribute to making our waterways cleaner, and that everyone will benefit when pollution is reduced. Our analysis confirms this.”

SAVE THE BAY

Once the Blueprint is fully implemented, and the benefits fully realized, the value of the natural services provided in New York would increase by \$1.9 billion annually, from \$10.3 to \$12.2 billion. Other states in the region will also see significant gains. Pennsylvania would see an increase of \$6.1 billion, Maryland \$4.5 billion, Virginia \$8.3 billion, West Virginia \$1.3 billion, and Delaware \$205 million.

CBF's study addressed only benefits, not costs. While there are no recent estimates of the total costs of implementation, a 2004 estimate put costs in the range of roughly \$6 billion per year.

Considering federal, state, and local investments in clean water in the 10 years since that time, we estimate the current number is closer to \$5 billion annually. And once capital investments are made, the long-term annual operations and maintenance costs will be much lower.

The result—the Blueprint will return benefits to the region each year at a rate of more than four times the cost of the clean-up plan.

The complete report can be found at cbf.org/economicbenefits.

###

###