

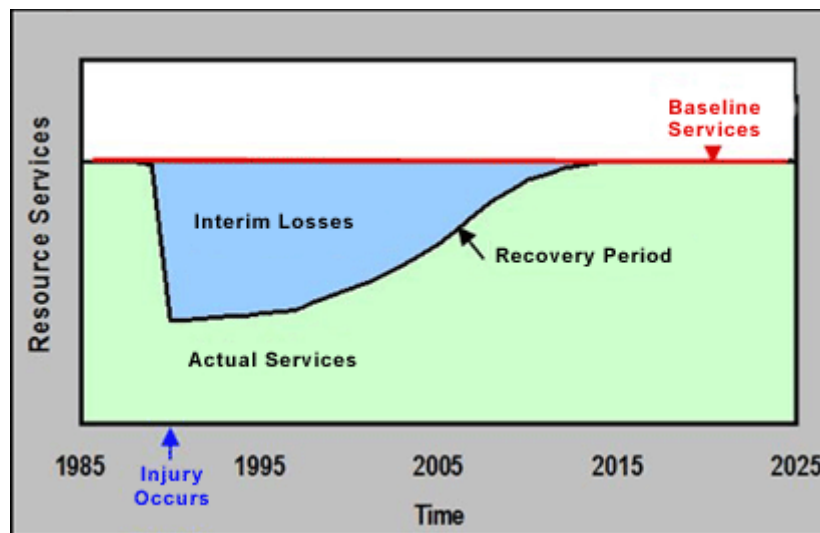
# Paying for Seagrass Restoration in the Florida Keys

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## What is HEA?

Habitats contribute environmental services to the public, such as providing shelter to organisms, filtering of substances, stabilization of habitat, supplying a food source, and more. When habitat or resources are damaged, the quality of the services is also impacted. HEA is used to estimate compensation that is equivalent to the loss of services that occur.

The chart below demonstrates how HEA is calculated.



Based on diagram from [Habitat Equivalency Analysis: An Overview](#).

The "Baseline Services" (red line) are the services that would have been provided if the damage or injury had not occurred. The "Actual Services" (green) are the services that did take place (or are predicted to take place). The difference between the "Baseline Services" and the "Actual Services" are the "Interim Losses" (blue). The "Interim Losses" represent the services that have been lost from the time of the injury until the damaged resources have fully recovered and used to calculate compensation. "Interim Losses" is a function of magnitude of damage and duration of recovery period.

HEA is a tool that uses the economic principles of interest and discounting to estimate the magnitude of compensatory restoration that is equivalent to the present value of the ecosystem services.