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COLAS CHERVIER is a third-year PhD student in economics at the French Agricultural Research Centre for International Development (CIRAD). His research focuses on the evaluation of payments for ecosystem services in Cambodia through a combination of different economic evaluation methods implemented at different scales.



**AICHI TARGET 3 ON POSITIVE INCENTIVES:
CAN MARKET-BASED
INSTRUMENTS
MAKE A DIFFERENCE?
RESULTS FROM THE INVALUABLE PROJECT**

**THURSDAY, 9 OCTOBER 2014,
PYEONGCHANG (REPUBLIC OF KOREA) | 18:15-19:45**

This side event intends to inform policy-makers and help reach consensus on the use of innovative financing instruments and positive incentives. Based on results from the INVALUABLE project, it aims at discussing the nature, design and implementation of some of these innovative instruments. This research is critical since extra funding for biodiversity is a challenge while any additional money should be spent on the ground in the most efficient ways.

This side event presents results about the actual potential of these instruments to influence actors' decisions and the use of natural resources when dealing with biodiversity and ecosystem services conservation. It analyses their advantages and risks, their need for safeguards, and thus the conditions for a successful implementation of Aichi target 3.

Looking at market-based instruments and payments for ecosystem services, this side-event investigates issues of (i) terminology, (ii) design and impacts of these instruments, and (iii) science-policy interface processes.

OBJECTIVES

Rationale and policy relevance

Building on decision XI/4 adopted in 2012, Parties at this 12th CoP will discuss the need to mobilize funds at the international and domestic levels to achieve the three objectives of the Convention.

To do so, Parties will discuss a list of key actions to improve the implementation of the Strategic Plan for Biodiversity, such as the exploration of innovative financial mechanisms including payments for ecosystem services. Besides, Parties will discuss possible milestones leading to the introduction or strengthening of positive incentives; while important voluntary guidelines on safeguards in biodiversity financing mechanisms will be proposed to overview the development of these instruments.

Such negotiations at CoP 12 will gain from proper dissemination of research results. Among others, key scientific and technical needs to be addressed include a better understanding of behavioural change and the performance of economic instruments, as well as improved guidance and tools to develop positive incentives.

Results from the INVALUABLE project, an EU-funded ERA-Net BiodivERsA programme, can contribute to fill such research gaps with its analysis of innovative financing mechanisms and positive incentives for biodiversity and ecosystem services conservation.

SIDE EVENT PROGRAMME

(i) INVALUABLE: a highly policy-relevant project

Renaud Lapeyre, IDDRI

(ii) Clarifying terminology issues with biodiversity financing instruments: markets versus payments?

Philippe Méral, IRD

(iii) The influence of payments for ecosystem services on behaviours and motivations in Cambodia

Colas Chervier, CIRAD

(iv) Design of payment schemes for conservation and the role of intermediaries in Indonesia

Romain Pirard, CIFOR

(v) Integrating relevant knowledge into payment schemes for conservation? Science Policy Interface approaches

Charles-Hubert Born, UCL

DISCUSSION WITH THE FLOOR

The project intends to clarify the potential of market-based instruments (MBIs) to better integrate biodiversity & ecosystem services (B&ES) into society, based on appropriate institutional arrangements for relevant public policies and an improved utilization of economic valuation approaches. Three main interconnected issues are analysed. First, the project elaborates a comprehensive theoretical framework in order to define and characterize MBIs for the management of B&ES, and conduct an analysis of the notion of market-based approaches to B&ES with a focus on institutions and discourses. Second, it seeks to assess impacts from some of these MBIs, in particular biodiversity offsets and pay-

ments for ecosystem services, drawing comparative lessons across several case studies in France, Germany and Belgium, but also Indonesia, Cambodia, Brazil, Ecuador, Mexico, Guatemala and Costa Rica. Finally, the project builds on existing Science Policy Interface (SPI), decision support system tools (DSS) as well as legal analysis so as to formulate options to better integrate relevant knowledge and policy in the field of MBIs for B&ES.

The INVALUABLE Project is a network of 9 European partners coordinated by IDDRI, and is a member of the Conservation Finance Alliance (CFA).

www.invaluable.fr

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