

GLOBAL CANOPY PROGRAMME

Applying Tropical Forest Intelligence

Amazon Forest: equity & poverty alleviation impacts of PES

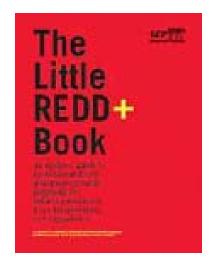
Presentation purpose: share the feedback GCP had from Amazon stakeholders during ESPA phase 1 on PES implementation strategies.

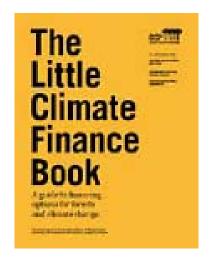
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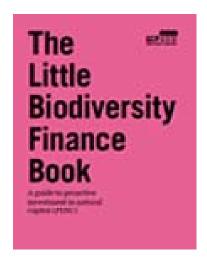


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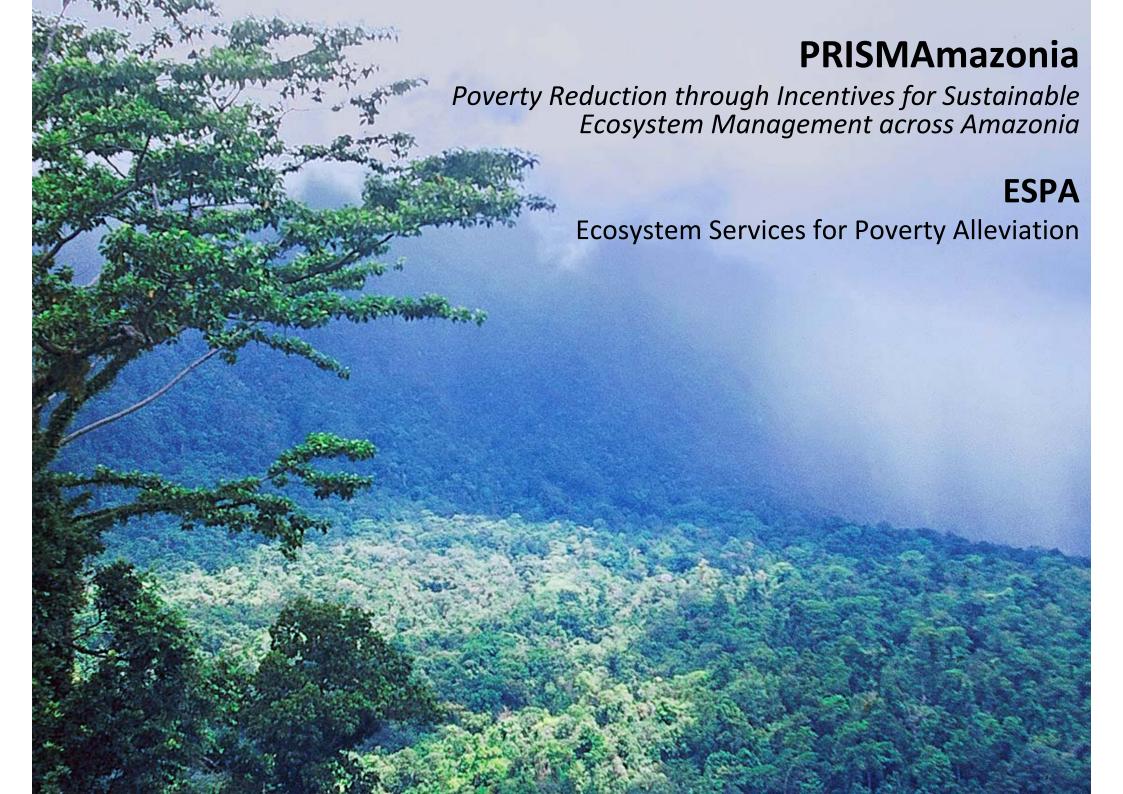


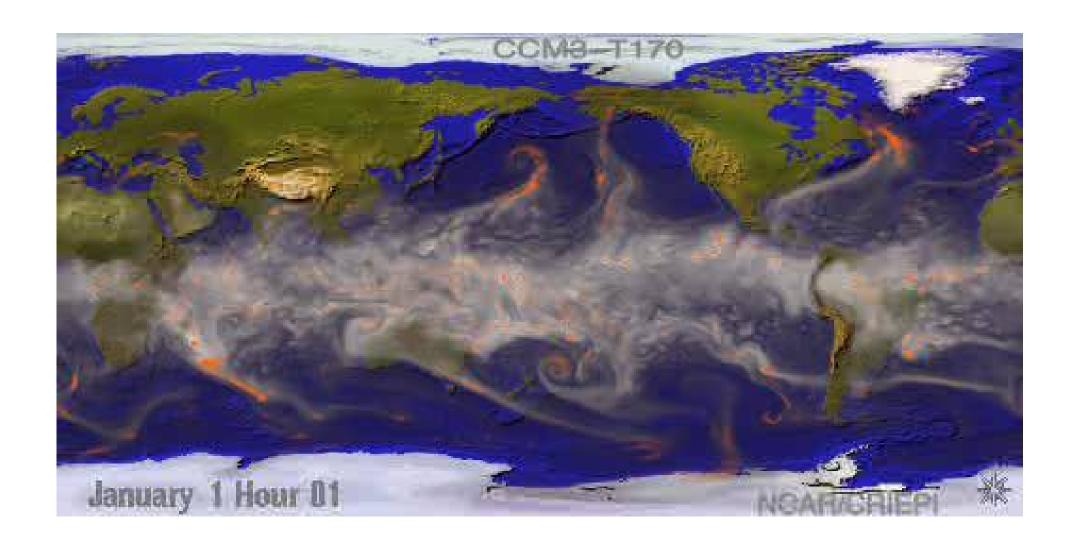


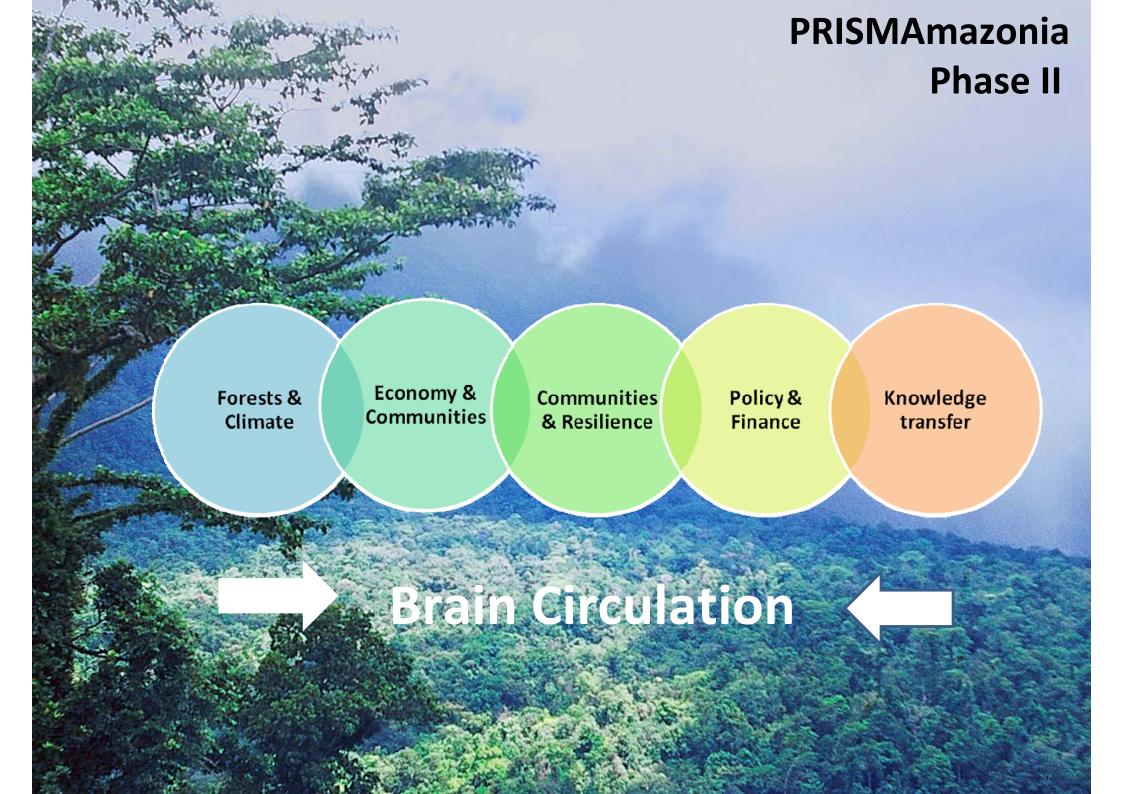
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Phase I: The ESPA Amazonia Situation Analysis (2008-10)



Workshops with regional stakeholders:

Manaus 2009: Communities Oxford 2010: NGOs Curitiba 2010: Policy makers

Manaus, September 2009: Communities

Sharing knowledge and experience on Payments for Ecosystem Services (PES) Workshop

- **Participants:** 41 people from 7 different countries, including:
 - Researchers (14)
 - Regional NGOs (8)
 - Representatives of communities affiliated to the GTA network and to the CNS (National Rubber-Tappers Council) (12)
 - Indigenous leaders of different nationalities. (7)
- Goal: Develop ideas and tools for the design of effective and just compensation mechanisms for ecosystem services.

Conclusion:

- ✓ <u>Expectations:</u> funds arising from PES schemes will be used to create viable processes of social and economic inclusion for these communities.
- ✓ <u>Demand:</u> land and cultural rights
- ✓ <u>Preference:</u> Income to be channelled towards communities in the form of policies and benefits that will allow for improvements in communities' standards of living, rather than in periodic money payments to service providers.

Conclusions: 1) Understanding of ES and PES

- **Perception:** Environmental Services are understood by the leaders as resulting from the interactions that occur in the forest, as reflected in food, water, biodiversity, etc. They also understand that the Environmental Services arising from communities' conservation of the forests has an impact on the quality of life of the world's populations. As such, these beneficiaries should compensate the communities for the services offered. This also serves as a way of maintaining the forests and its services.
- PES was regarded as an inadequate term that did not correspond to these leaders' expectations of environmental services provided by the forests that belong to the communities. The leaders understand payment in terms of a market relation of sale and purchase, and do not consider channelling financial resources to communities as the answer to maintaining the forests.
- The leaders agreed unanimously that remuneration of environmental services should be structured through compensation schemes linked to integrated development programmes, that bring change and social and economic inclusion for the communities that own and protect the forest.

Conclusions:

2) Communities' Needs for the conservation of the forests

- Incentives for sustainable production were considered fundamental to the maintenance of the forest. These incentives include government policies on fiscal and financial incentives, technical assistance and capacity building tailored to community context and the development of technology appropriate for the social and economic context of the forests, as well as infrastructure and access to markets.
- Compensation for Ecosystem Services should promote improvements in standards of living, through social policies and services oriented towards education, health, and the social organisation of the communities that are providing the environmental service.
- Compensation for Environmental Services should strengthen the rights of forest populations over their territory, as well as their autonomy and their ability to manage these territories.

Conclusions:

3. Recommendations for the development of PES schemes

- Pre-requisite to PES implementation: policies that provide solutions to issues such as territorial and cultural rights .
- Benefits of CES*/PES should not repeat the failure of governments to fulfil their responsibilities to communities, principally in relation to education and health.
- CES/PES project interventions should be based on respect for rights, and adapted to community traditions (cultural knowledge)
- CES/PES projects should be designed and implemented based on a process of empowered, deliberative participation with the service-providing communities.
- The mechanisms for distribution of CES/PES benefits should be clear, accountable and adaptable to the different realities of the service providers.

^{*} CES: Compensation for Ecosystem Services

- Benefits arising from CES/PES should be directed towards the social and economic development of the service-providing communities:
- Benefits structured around investments and services, not money payments to service providers.
- Investments focused on land management and sustainable production oriented towards production infrastructure, technical assistance, capacity building based on intercultural learning and access to fair markets.
- Autonomous community organisations are fostered and strengthened, as is the capacity of communities to influence policy.
- Monitoring should take into consideration environmental issues, as well as economic and social issues.

Oxford April 2010: NGOs

- **Participants:** 16 participants from 10 NGOs and think tanks from 5 countries.
- **Goal:** Explore and define what can be done to accelerate the integration of our activities (inside and outside the Amazon basin) in order to transform the development paradigm in the region.

Outcomes:

- ✓ Exchange & share of information
- ✓ Mayors can be vectors of change in parts of Amazonia, they need support and advice.
- ✓ Set up best-practices;
- ✓ Reward the good, punish the bad, distribute good case studies;
- ✓ Push for standards in the Amazon region.
- ✓ Support pilots/case studies such as Paragominas city.

Curitiba September 2010: Regional Policy makers (TEEB)

- Participants: 71 people
- Goal: Discuss with policy-makers from across South America the feasibility of applying TEEB in the region at local level.
- **Conclusions:** Factoring the economics of ecosystem services and biodiversity into local and regional policies would depend upon:

1. Generation and Sharing of Knowledge:

- At national and local level: decision makers and experts assisting government planning lack knowledge about the economic, environmental and social costs of not factoring ecosystem services and biodiversity into their policies.
- At continental level: Poor knowledge on the biophysics of large-scale environmental services and their economic value.

2. Access to Information

- At government level: policy makers interested in applying TEEB lack access to economic numbers (valuations) and information that could guide decisions and planning. They also lack access to simple valuation tools.
- <u>At community level</u>: local communities lack access to information that i) clarifies the importance of ecosystem services and biodiversity to their wellbeing, and ii) existing, tested alternatives of how to manage them.

3. Bottom-up process:

• In order to promote the value of nature and create legitimate policies that will be supported by local communities it is critical to involve local communities in the process of raising awareness about the importance of ecosystem services and biodiversity and how they can be factored into policy decisions. This would create a greater influence of society over decision makers and legislators. E.g.: Alta Floresta, cultural knowledge

4. Factor in the 'GDP of the Poor'

The loss of ecosystem services and biodiversity affects the poor the hardest and taking this
into consideration is critical to assess the true value of natural capital and the costs of its
loss to society.

5. Sharing successful regional experiences

• Sharing successful experience between regional/local policy makers will encourage the inclusion of ecosystem services and biodiversity in local decision making.

When implementing PES, have in mind:

