



Sustainable Financing & Payments for Environmental Services

InfoExchange

Welcome to June's WWF **PES InfoExchange** (Year 2 No. 11).

This listserv is a resource provided and managed by WWF-MPO, as a platform to exchange ideas and notify experts and practitioners of developments and events in the emerging field of Payments for Ecosystem Services (PES). PES is a growing field that develops and assesses the mechanisms by which beneficiaries of ecosystem services, such as clean water or carbon sequestration, compensate the providers for maintaining those critical services. Defining and understanding the services that ecosystems can provide is a first and fundamental step to this process.

You may also download InfoExchange at: <http://assets.panda.org/downloads/pesnewsletter11.pdf>



WWF News

WWF - Silva School 2006 - "NTFPs and PES, ensuring the conservation of Cork Oak forests by increasing their economic and social values"

The WWF-Silva 2006 training, an initiative of the *Across The Waters Unit* and the *Cork Oak Landscapes Programme* of WWF-MedPO, took place in Palafrugell (Spain) from the 6th to the 9th May 2006. A total of 30 participants came from the cork producing countries already involved in the cork programme: Algeria, Tunisia, Morocco, Portugal and Spain. National administrations of each country, researchers, NGO members and forest owners attended the training. It also provided training for six staff members of the WWF network.

The main objective of Silva '06 was to learn and share experiences on NTFPs and PES as possible means for ensuring conservation of the cork oak ecosystems. Silva '06 was organised in a two-day session on NTFPs, with a one-day introductory session on PES that included a field visit and on-the-ground exercise and a final one-day planning session to develop new project lines. Lectures were shared between experts from IIED (UK) and the universities of Padova (Italy), Huelva (Spain) and Porto (Portugal). Participants also presented local case studies.

Although NTFPs were regarded as the most feasible and easiest line to follow for increasing the economic and social values of cork oak landscapes (despite access rights and land tenure challenges), the majority of participants were interested in PES and expressed willingness to learn more about these schemes to bring to their respective countries. For more info: Xavier Escuté, WWF Cork Oak Landscapes Programme, xescute@atw-wwf.org

Payments for Watershed Services: The Case of Sibuyan Island, Philippines

To meet their commitments to the Convention of Biological Diversity, governments have set aside forest lands as protected areas to conserve the earth's remaining biodiversity. Many of these protected areas that were established also produced collateral damage to indigenous communities in terms of loss of access to resources, restricted development opportunities and forced eviction in some countries. At the 2003 World Parks Congress in Durban, South Africa, the plight of indigenous communities living in and around parks was brought to the world's attention.

Payments for watershed services emerged as an innovative scheme to reward the upland communities for providing clean and abundant water to downstream users, such as water bottling companies, hydroelectric power companies, farmer irrigator associations, local government units and others. Such a scheme is being piloted with the upland indigenous community in Sibuyan Island, Romblon - ranked 64th in Human Development Index among 77 provinces. This community resides in critical watersheds that provide a host of hydrological services to downstream municipalities. The indigenous community was recently awarded a 7900ha ancestral title covering a forest block next to the Mt. Guiting-Guiting Natural Park. The indigenous community voluntarily gave up hauling and harvesting timber, which comprises 30% of their cash incomes.

To compensate for their opportunity loss, a water fund was set up in March 2005. The water fund finances patrol and reforestation activities in two watersheds within the ancestral domain and boundaries of the Mt. Guiting-Guiting Natural Park. The water fund was seeded by the municipality of San Fernando and matched by the WWF, in the amount of US\$14,000.

Over eight months starting September 2005, one hundred twenty three loggers have been apprehended, fifteen freshly cut trees and thirteen freshly sawn wood were confiscated. A total of 17,000 boardfeet of timber was saved. The communities planted 3005 seedlings, exceeding their target by 136%. Incomes from PES, which were 60-70% of 2005 incomes, were earmarked to buy rice, house roofing, school supplies, clothes and livestock. The incomes from this scheme comprise 60-70% of their 2005 incomes. Encouraged by these results, negotiations are on-going with the local government to renew the agreement with the indigenous community. Contact Ed Tongson, VP Programmes, WWF-Philippines for more information.

WWF- South Africa's Wetlands program: facilitating and supporting the sustainable use of wetland resources

Prior to the early 1990's, most of the South African public, government services and landowners had no idea what wetlands were, or why they were so important. The national Department of Agriculture actively promoted the draining of wetlands for crops. The Mondi Wetlands Project (MWP) works towards its goal of bringing about social change that encourages wetland users and owners to manage their wetland resources in a more environmentally relevant manner. The MWP concentrates its work not just on the physical destruction and rehabilitation of wetlands, but also on its root causes. The Project does not concentrate on conserving individual species, but works at an ecosystem level, promoting the sustainable management of wetlands for the ecosystem services they provide to downstream users and society at large.

The MWP played a significant role in catalyzing Working for Wetlands, and is a founding partner helping in managing and assisting the government funded and led program with training, advice and guidance on technical, ecological, planning and management issues. Working for Wetlands aims to alleviate poverty and empower people. It employs previously unemployed people who are given temporary employment,

life and job skills, a chance to raise their self-esteem, and are such provided with an opportunity to escape the poverty whirlpool. Since wetlands manage water, and are treasure troves of biodiversity, the rehabilitation of degraded wetlands by Working for Wetlands is playing a crucial role in securing vital water resources, maintaining biodiversity and helping to alleviate poverty. In this way, Working for Wetlands has created multiple benefits for the natural, social and economic environments.

For more information on these tools or the Mondi Wetlands Project, contact David Lindley on lindley@wetland.org.za



Call for Resources

IUCN Water & Nature Initiative (WANI) and the Nature Valuation and Financing Network (NV&F) seek your ideas and knowledge on payments for watershed services

IUCN is in the process of **producing a booklet**: “PAY – A practitioner’s guide for rewarding and financing ecosystem services for water.” This guide aims to provide practical tools for government officials, NGOs and local communities to create platforms for negotiations that are balanced and open in order to arrive at collaborative action to improve water resources management. ‘PAY’ links recent practice on the management of ecological services to the current discourse and practice on integrated water resources management. It places a specific emphasis on benefit sharing and innovative financing mechanisms for watershed and river basin management. A series of practical lessons learned and insights on what worked and what did not work support the intent of PAY.

IUCN and NV&F are requesting practical examples of specific projects and case studies - not detailed scientific contributions (e.g., case studies and other information), preferably to be sent before June 1st, send to bas.verschuuren@fsd.nl

For more information visit the website (www.naturevaluation.org) under “ongoing projects” and then click on “Water and Nature Initiative.



Websites and Publications

PES in a conservation and poverty-reduction context

Jeanes K, van Noordwijk M, Joshi L, Widayati A, Farida and Leimona B. 2006. Rapid Hydrological appraisal in the context of environmental service rewards. Bogor, Indonesia. World Agroforestry Centre - ICRAF, SEA Regional Office. 56 p.

<http://www.worldagroforestry.org/sea/Publications/currentpub.asp?publishid=1438>

Padilla JE, Tongson EE and Lasco RD,eds. 2005. PES: Sustainable financing for conservation and development. In: *Proceedings from the National-Workshop on Payments for Environmental Services: Direct for biodiversity conservation and poverty alleviation, Manila, March 1-2, 2005.* WWF, World Agroforestry Centre- ICRAF SEA Regional Office, REECS, UP-CIDS, UPLB-ENFOR, CARE. 279 p.

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