

biodiversiteit **werkt**

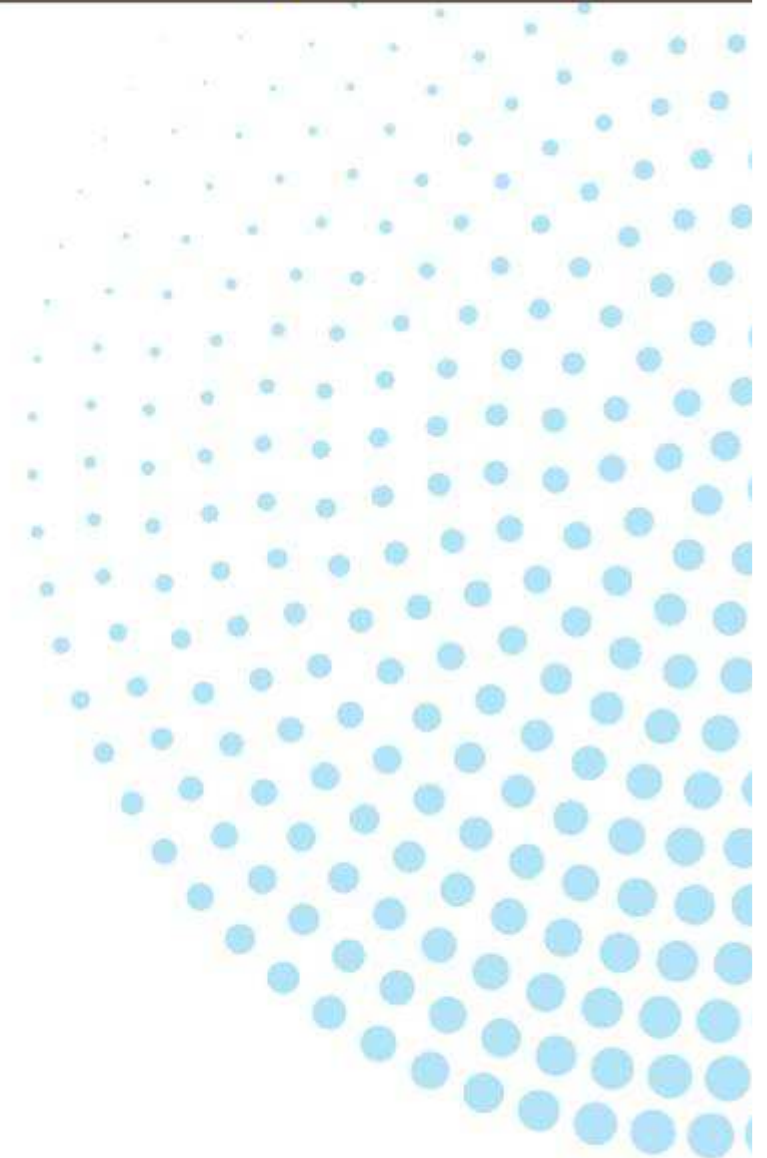
voor **natuur** voor **mensen** voor **altijd**



John van Himbergen
Ministry of Housing, Spatial Planning and the Environment

Outline presentation

- ▶ Dutch Biodiversity Policy Programm
- ▶ Economic instruments



Dutch Biodiversity Policy Programm 2008 – 2011 **‘Biodiversity works for nature, for people, for ever’**

5 substantive priorities:

- ▶ Trade chains and biodiversity
- ▶ Payment for biodiversity and ecosystem services
- ▶ Biodiversity works (sustainable use of ecosystem services)
- ▶ Ecological networks
- ▶ Marine biodiversity and sustainable fishery

3 support priorities:

- ▶ New coalitions for biodiversity
- ▶ Knowledge of biodiversity
- ▶ Communication on biodiversity

Taskforce Biodiversity and Natural Resources

- ▶ under leadership of Hans Alders, former minister of Environment. Members represent the Business sector, science, NGO's and regional politicians
- ▶ Development of a long term vision
- ▶ Main topics:
 - Goals
 - Economic instruments
 - Food and Health

Trade chains and biodiversity

Sustainable trade in:

- ▶ wood
- ▶ soy
- ▶ palm oil
- ▶ biomass
- ▶ peat

Economic instruments could help to make trade more sustainable.



Biodiversity works

- ▶ Formulating the policy for sustainable use of ecosystem services in the country side and urban environment and promoting the use of ecosystem services in (agricultural) production processes.

Economic instruments could help to promote sustainable use of ecosystem services.

Ecological networks

- ▶ Creating ecological networks in the context of wider eco-regional development

Economic instruments could help find new financial sources for the realization of ecological networks

Marine biodiversity and sustainable fishery

- ▶ Conservation and sustainable use of biodiversity in seas and oceans.

Economic instruments could provide incentives to make fishery more sustainable.

Payments for biodiversity and ecosystemservices

- ▶ Creating markets and payment mechanisms for biodiversity.
 - ▶ TEEB (The Economics of Ecosystems and Biodiversity)
www.teebweb.org
 - ▶ Business and Biodiversity
 - ▶ Green Investments
 - ▶ Green Development Mechanism (GDM)
 - ▶ Reduced Emissions from Deforestation and Degradation (REDD)
 - ▶ Access and Benefit Sharing (ABS)

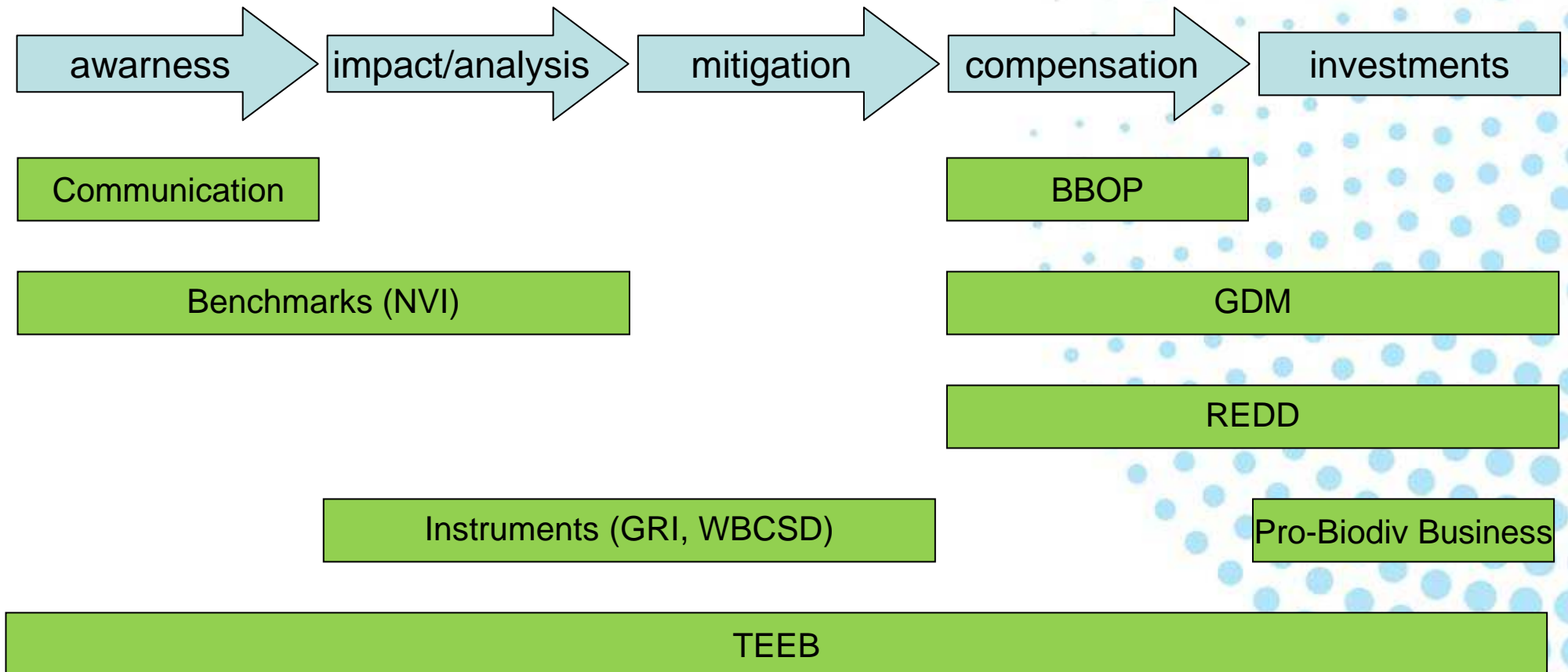
biodiversiteit **werkt**

VOOR **natuur** VOOR **mensen** VOOR **altijd**

Paying for: Who pays:	Biodiversity Conservation of species and areas	Ecosystem Services Sustainable use of ecosystem services (provision, regulation , cultural)	Sustainable development Decrease of pressure factors / stress on biodiversity
Governments [Public]	New funds for realization of ecological networks in specific partner countries 1% Biodiversity tax compensation for land use (red for green)	Creation of market : payment for ecosystem services (clean water, natural pest control, CO2-fixation.) Tax on soil sealing (to German example)	Levy on harmful products/ activities: Meat, fish, soy and potting compost (also: <u>levy with revenues destined to specific policies</u>) Abolish perverse subsidies ; proposal fishery
Business [Private + governm. support]	<u>Compensation of biodiversity impact</u> (Biodiversity & Business Offset Programme)	<u>Private investment in ecosystem services</u> ; Take away barriers <u>Stimulating regional accounts</u>	<u>Benchmark</u> of biodiversity performance of business (Natural Value Initiative)
Consumers/ NGO's [Private]	<u>Internetfora for online matching</u> of donations and supply of projects; see for example www.pifworld.org	<u>Payment for ecosystem services (PES)</u> - eco-/agri-tourism - bio-products - Regional products	<u>Green Investments abroad</u> Private savings are invested in foreign green projects (Extends the success of Green Funds Scheme abroad)

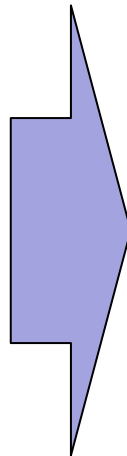
Business & Biodiversity

The way to no net loss or gain of biodiversity



Green investments

Investors
Pension funds, financial sector
Business
Governments
Citizens (via green investment regulation)



Investment in	needed
Business	Impact analysis / biodiversity rating companies
Biodiversity projects	Selection criteria and projects

Why a Green Development Mechanism (GDM)?

- ▶ "A mechanism needs to be devised to compensate societies that preserve the global commons."
(pg 16, UNEP Global Green New Deal Policy Brief, March 2009)
- ▶ "Studies on approaches to develop markets and payment schemes for ecosystem services at local, national and international levels, their advantages as well as potential limitations and risks, and their potential implications for biodiversity and indigenous and local communities"
(CBD-besluit IX/6 para 4d)

Arguments for a GDM

▶ **Local costs, global benefits**

Local, regional and international ecosystem services provide us with immense benefits; the costs for 'maintenance' were never paid.

▶ **Implementation in developing countries**

An extremely big part of biodiversity loss will occur in developing countries; conservation effort should be focused there, but the available means are not sufficient.

▶ **National footprints**

Our ecological footprint (via import and consumption) of goods is big and gives a lot of environmental pressure. International payments are an alternative for internalization of environmental costs in the production/harvest region.

Financing gap

- ▶ Costs of biodiversity conservation: The estimations range apart from 19 billion dollar above present level (70 % biodiversity) till 360 – 550 billion (10-15% area)
- ▶ World wide is, inclusive bilateral help, round about **USD 8-10 billion invested** (James et al. 2001; Simpson 2004, Pearce 2007):
 - Debt-for-nature swaps = USD 140 million/ yr
 - GEF = USD 147 million/yr (1991-2006 average)
 - Protected areas = USD 6 billion/ yr
 - World Bank = USD 1.7 billion in direct investments in biodiversity conservation projects between 1997-1998 (World Bank 1998)

Results Amsterdam expert meeting (1)

- ▶ Biodiversity is a 'global public good'
- ▶ Mondial value contains ...
Direct use, option value, indirect use, bequest and existence values
- ▶ ... or goods and ecosystem services, like:
 - Production services: food, energy
 - Cultural services: recreation, education
 - Regulating services: rain, climate mitigation/ -adaptation, soil fertility
- ▶ But:
 - There is no a long term, permanent financing
 - There is no significant additional financing for biodiversity
 - The user of the services doesn't pay always the costs

Results Amsterdam expert meeting (2)

- ▶ Regulation and international agreements are essential:
 - to create a market demand
 - to generate significant additional investments in biodiversity conservation
 - to share the costs fairly and to complete the existing instruments (local, national and international)

- ▶ A market demand for what?
 - Biodiversity conservation, translated in clear, measurable and stable biodiversity 'credits'

- ▶ And how?
 - Marketable conservation commitments (or development rights)
 - International supported compensation programs
 - Footprint taxation: soy, palm oil, wood, energy, coffee, cotton
 - Greening of commodities

Results Amsterdam expert meeting (3)

- ▶ Requirements:
 - Biodiversity-unit: indicators, measure unit (Mean Species Abundance, hectares, hectares x quality)
 - Permanent (in contrast with project financing GEF)

- ▶ Risks:
 - Implementation, monitoring, enforcement costs
 - Winners and losers
 - Additionality and leakage

- ▶ Opportunities:
 - Bundling with CO2 / REDD funds
 - Linking to existing initiatives with respect to chain analysis/ -approach for sectors
 - Possibility to start voluntarily (pilots, compare CO2-compensation schemes)

The GDM-programm

- ▶ International steering committee: UNEP, IUCN, sCBD, sOECD, NL
- ▶ International consultancy team for support (Earthmind)
- ▶ Process: create a platform for discussion, research, input of ideas, development of concepts and principles, creating support
- ▶ Content: development of a proposal for the CBD (CoP10), aiming at an initial decision (compare REDD)
- ▶ Time path: August 2009 – October 2010
- ▶ Expert meeting in March 2010
- ▶ CBD preparatory meetings (workshop Bonn, SBSTTA, WGRI) crucial

biodiversiteit **werkt**

VOOR **natuur** VOOR **mensen** VOOR **altijd**

“Society must urgently replace its defective economic compass so that it does not jeopardize human well-being and planetary health through the undervaluation and consequent loss of ecosystems and biodiversity.”

Pavan Sukhdev, TEEB Study Leader

29.5.2008, CBD COP9

biodiversiteit **werkt**
voor **natuur** voor **mensen** voor **altijd**

Thank you, for your
attention!

