

PEP Working Group and Focal Point on Ecosystem Services and Payments for Ecosystem Services

Newsletter 2, January 2008

Our Purpose:

The Working Group's purpose is to become a clearing house to identify and inform PEP members and other stakeholders about shared opportunities to use Ecosystem Services (ES) and Payments for Ecosystem Services (PES) to promote the Millennium Development Goals (MDGs) in general and sustainable development and poverty alleviation in particular. Participants come both from donor agencies and conservation NGOs, with occasional guest contributors at specific events or activities.

This Working Group will work as a virtual Discussion Forum, communicating mostly through the internet as well as through presentations, discussions, and other activities at PEP meetings and similar events.

You can join the group by clicking this ["Join Now"](#) link, or by emailing sarah.davidson@wwfus.org. Once you have joined the Working Group, you will receive the PEP ES/PES Quarterly Newsletter, and you will be able to participate on the Forum's virtual discussions, post events, links to publications, and other ES/PES comments.

Proposed 2008 Activities:

Below we have 3 activities proposed for 2008. Please post your preferences, ranked in order from 1 to 3, and any other suggestions for the Working Group's activities to this discussion group (PEP_PESgroup@listserv.com):

1. A PEP ES/PES Working group activity at the COP9 of the CBD (May 19 to 30 2008, Bonn): Focusing on Opportunities to deliver both biodiversity conservation and poverty alleviation through ES/PES

What would it be: A round table focusing on 2 or 3 experiences and discussion

The message: ES and PES can be a strategic approach to deliver both biodiversity conservation and poverty alleviation

Cases: Alternative 1: (a) energy related; (b) tourism related; (c) agribusiness related; Alternative 2: (a) a pioneer government; (b) a pioneer business; (c) a pioneer NGO; (d) a pioneer rural community
Questions for our PEP readers: (a) Suggestion to the above format? (b) Would you plan to attend COP9, and would you plan to participate in the above activity? (c) Can your agency pay the travel costs of one or more participants from developing countries?

2. A PEP ES/PES Working group activity at the Financing for Development Conference (November 29 to December 2 2008, Doha): Focusing on Ecosystem Services and payment for ecosystem services: Opportunities to deliver both pro-poor development and biodiversity conservation

What would it be: A round table focusing in 2 or 3 experiences and discussion

The message: ES and PES can be a strategic approach to deliver both poverty alleviation and biodiversity conservation

Cases: Alternative 1: (a) energy related; (b) tourism related; (c) agri business related; Alternative 2: (a) a pioneer government; (b) a pioneer business; (c) a pioneer NGO; (d) a pioneer rural community
Questions for our PEP readers: (a) Suggestions to the above format? (b) Would you plan to attend the Conference and would you be interested in participating in the above activity? (c) Could your agency pay the travel costs of one or more participants from developing countries?

3. A PEP ES/PES Working Group activity at the 14th PEP: Focusing on Poverty, Environment and Ecosystem Services: Government Experiences and Lessons Learned for Scaling-up and Working with the Private Sector

What would it be: A roundtable focusing on 2 or 3 cases and discussion, followed by breakout groups to discuss a potential large-scale, government-NGO-business proposal

The message: The 11th PEP's ES/PES session was NGO-driven, the second and most recent was focused on input from the Private Sector, and this proposed third workshop would conclude the ES/PES series with experiences and proposals from governments, as well as NGOs and the private sector.

Cases: Alternative 1: (a) a developing country government (b) a transition country government (c) a pioneer government (d) a multinational effort; Alternative 2: different kinds of partnerships: business-NGO; NGO-government; Government-business

Questions for our PEP readers: (a) Suggestions to the above format? (b) Would you plan to attend the Conference and would you be interested in participating in the above activity? (c) Could your agency pay the travel costs of one or more participants from developing countries?





Highlights from the Twelfth PEP Meeting Session on Private Sector Views of Ecosystem Services and Payments for Ecosystem Services:

James Brumm of Mitsubishi International Corporation discussed how ecosystem services can create new market opportunities. Towards this end, national governments and multilateral agencies have a role to play by providing new ways for business to think about risk and social or environmental conditionalities and by developing strong environmental and social guidelines. This could be accomplished, for example, through mainstreaming ES/PES in Joint Assistance Strategies, Export Credit Agencies or through extending the Equator Principle standards to other financial institutions. This would build more opportunities for businesses to operate in a framework where working to protect ecosystem services is more automatic, rather than a side-project, as is the case today.

Jean-Christophe Bligny of Danone/ Evian presented several projects for watershed conservation that Danone has developed around the world. For example in Indonesia, where there are no water fees to pay for watershed conservation, Evian put in place a PES scheme for that purpose where Evian itself is the sole ES buyer. While this is a great example of a private sector environmental initiative, it also points to a large governance void and hence the need to build institutional and political enabling conditions in developing countries.

In the same vein, **Lloyd Timberlake of the World Business Council for Sustainable Development** stated “Governments seem to be outsourcing governance to business and NGOs.” While governments and agencies are looking more and more towards companies to collaborate on traditional governmental roles in environment and poverty alleviation, companies are likewise looking to governments and agencies to set the rules of the game in which they can conduct sustainable business and remain competitive.

The minutes and full presentations of the PEP Twelfth Meeting are available at: www.povertyenvironment.net/pep



Maria Emilia Correa of MASISA/Grupo Nueva from Chile highlighted the collaboration of MASISA and indigenous communities in the sustainable management of native forests in southern Chile, where sustainable forestry methods and community control are producing yields and price premiums via FSC certification that are higher than those from MASISA commercial plantations. She also noted that the conditions – political, ecological and social – need to be right for this approach to be replicated.

This issue’s “Publications Highlights” focuses on Farmers, Green Markets and PES.

- The State Of Food And Agriculture 2007 (SOFA), Paying farmers for environmental services. FAO. Rome, 2007. <http://www.fao.org/docrep/010/a1200e/a1200e00.htm>
- “The Global Environment Facility and Payments for Ecosystem Services: A Review of Current Initiatives and Recommendations for Future PES Support by GEF and FAO Programs.” 2007. FAO-PESAL Paper Series #1. P. Gutman and S. Davidson, WWF-Macroeconomics Program Office. http://assets.panda.org/downloads/pesal_gef_pes_demandfinal.pdf

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