The role of economic instruments in the context of biodiversity related MEAs

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Questions addressed

- How can EIs be used (more effectively) for biodiversity protection?
- How have EIs been approached in three biodiversity related MEAs (CBD, Ramsar, CITES)?
- Which synergies exist to be taken advantage of in the different MEAs?



Content

- The range of economic instruments in the context of biodiversity related MEAs
- References to economic instruments in selected MEAs
- Thematic areas for the use of EIs
- How to support the use of EIs
- Conclusions CITES relevant recommendations



1. The Range of EIs for Biodiversity Protection

- Property rights
 - Conservation easements
 - Communal property rights
- Market creation
 - Ecolabeling
 - CO2 sequestration offsets
 - Tradable development rights
- Charges
 - Entrance fees
 - Concession payments for tourism, hunting, fishing



1. The Range of EIs for Biodiversity Protection

- Fiscal instruments
 - Tax exemptions or tax deductions
 - Differential land use tax
- Environmental Funds and financial mechanisms
 - National environmental funds
 - Soft credits
 - Biodiversity investment funds
- Liability system
 - Fines
 - Performance bonds



2. References to economic instruments in selected MEAs

CBD

- Art.11 refers to the adoption of incentive measures
- COPs have considered economic incentives extensively
- Decision
 VI/15promotes the adoption, provides criteria and guidelines for use and mentions cooperation with other MEAs

Ramsar

- No explicit mention in Convention
 - COP8 adopts Resolution on incentive measures, emphasizing the fundamental importance of incentive measures as tools for the conservation and wise use of wetlands

CITES

- No explicit mention in Convention
- Strategic Plan
 Goal 1: for trade
 to be responsible
 and based on
 sustainable use,
 social and
 economic
 incentives are
 needed



3. Thematic areas for the use of EIs

- EIs for in situ conservation
- Raising financial resources
- Sustainable trade
- Payments for environmental services
- Addressing perverse subsidies



...EIs for in situ conservation

- Emphasis of conventions
- Great variety of EIs applicable
- Experience concentrated in the industrialized world
- More evaluations and monitoring of implementation required
- More analysis of more recent instruments required



Orcutt Grass, Sacramento Conservation Bank



...Raising financial resources

- Often more important than incentive character of EIs
- Funds have been important instrument (more than just financial tool)
- Analysis of innovative mechanisms (capital venture funds, specific species funds) necessary
- ➤ Use of fiscal instruments and charges to be further explored
- Support to existing initiatives important

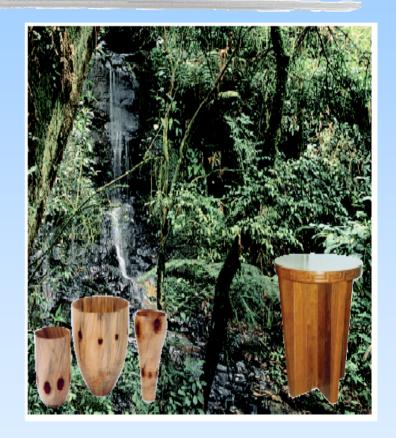






...Sustainable trade

- Still small, but very dynamic
- Capacity and institution building in developing countries
- ➤ Possible cooperation in geographically centered initiatives
- ➤ Make more use of synergies with private initiatives
 - Respect for MEAs
 - "on the ground insights"
 - Use of CITES listing as indicators or criteria
 - Specific mention of endangered species
 - CITES non-detriment finding



Community forest management in Xapuri, Brazil, FSC certified



...Payments for ecosystem services

- Variety of different payments
- Mention of specific services in MEAs
- Mostly compartmentalized, but some bundling exists
- ➤ Potential has to be analyzed and trade-offs identified
- Environmental impacts have to be analyzed
- Ecotourism. Wildlife tourism might assume special role
- > Establish link to WTOnegotiations



Climate Care reforestation project in Uganda



4. Supporting the introduction of EIs

- Integration of local communities
- Networks / training / exchange of experience
- Valuation and EIs
- Role of the State



...Integration of local communities

- Importance recognized in MEAs
- Two-way relationship:
 - Effective use of EIs
 - EIs can help integrate local communities
- "Mainstreaming" of local community involvement in EIs required
- ➤ Joint effort for good practice guidelines
- ➤ Establish synergies with poverty reduction strategies

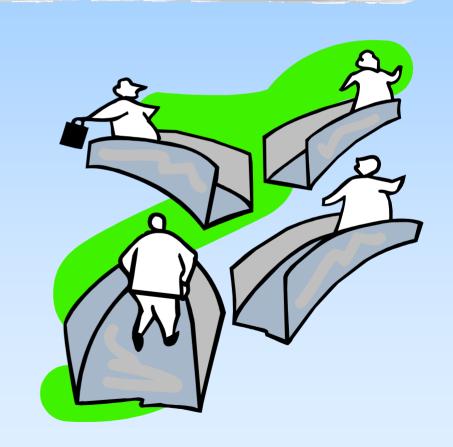


Campfire – Elefant in the fields



...Networks, training, capacity building

- ➤ Build upon existing work, especially by CBD, but also organisations such as the Conservation Finance Alliance, OECD, UNEP
- ➤ Efficient organization and coordination between MEAs essential
- Learning by doing would be useful (CBTFTED type)
- ➤ Joint capacity building needs assessment would be benefitial (assess also capacity for receiving training)





Conclusions – CITES relevant recommendations

- Potential for fostering CITES relevant objectives with economic instruments is large
 - Wider promotion of CITES certification
 - Revision of enforcement mechanisms under economic incentive criteria would be useful
 - Incentives for "public control"
 - Fees for permits for captive breeding, for trade in App.2 ?
 - Application of tradable quotas feasible and useful in some cases?
- Not only directly but also indirectly relevant instruments should be considered
 - Ranging from taxes over funds, to tradable development rights, to mention only a few



Conclusions – CITES relevant recommendations

- Potential synergies with other MEAs are large
 - Common clearing house
 - Developing country focus necessary
 - Evaluations of existing experiences necessary
 - Resource savings in implementation
- But not only with other MEAs
 - Ecolabeling used for non-detriment finding
 - WTO: environmental goods and services (CITES relevant services such as ecotourism)

