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Natural resources

Key questions

What are the lessons learned from PES in developed and developing countries?

What are the driving forces behind a successful PES project?

Are PES an appropriate tool to reduce hunger and poverty?

Which institutions and products are actually making PES schemes financially sustainable in the long run?

What kind of institutions are best suited to align the private interests of farmers with the public interest in environmental protection?

Can PES schemes create opportunities for green business?

Where do we need private sector know-how and where is public leadership necessary in making a PES scheme sustainable?

How can private PES initiatives be best embedded into national environmental policies?

Is the voluntary carbon market going to support sustainable agriculture intensification?

How to improve the rigor and reduce the costs of monitoring environmental services ?

What are the alternatives to PES?

Remuneration of Positive Externalities (RPE) Payments for Environmental Services (PES) in the Agricultural and Food Sectors

The project reviews Payments for Environmental Services (PES) schemes and other instruments to remunerate positive externalities in agriculture with the purpose of establishing the basis for informed decision-making on ecosystem services and food security, as a contribution to sustainable agriculture and rural development

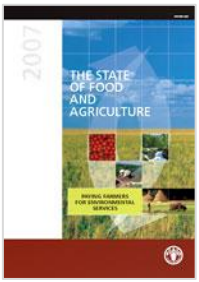
The rationale

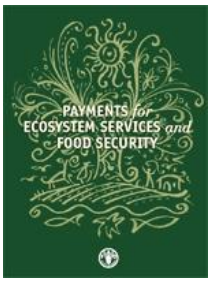
The provision of environmental services, such as biodiversity habitats, watershed protection, and carbon sequestration have the character of a public good. They benefit Mankind at large but tend to be available at no charge. This situation leads to the unsustainable use of these scarce natural resources because existing markets fail to value them.

One of the key challenges is to devise incentive schemes for natural resource users to increase and improve the provision of goods and services derived from agriculture, forestry and fisheries in a sustainable manner.

PES is one of the tools designed to support land users for the positive externalities they create through the adoption of sustainable resource management practices. In 2007, FAO highlighted that agriculture can provide a better mix of ecosystem services to meet Society's changing needs, but if farmers are to do so, better incentives will be required and PES can help (see report).

Following a review in 2011, and the Rio + 20 renewed impetus for combining environment and development, FAO has embarked on a 3-year analysis of PES experience for outreach to field projects, with financial assistance from Switzerland and technical insights from Institute for Environmental Decisions of ETH Zurich.





Milestones

June 2012

Project launch

December 2012

Background review of history, theory and practice to shape project vision

February 2013

Gathering evidence
20 technical briefs with partners in research and field partners on:
-Farmer incentives
-Negotiation strategies
-Institutional ownership
-Public-private partnerships
-Low cost Monitoring

Global Forum on Food Security and Nutrition

Join the discussion 25Feb- 15 March!

12-13 September 2013

Rome

Expert meeting to share findings for priority setting until June 2015

2014-2015

Research outputs : journal articles with technical briefs contributors

Technical assistance to partner projects, drawing on findings

Proposals for follow up activities

What we do

Smallholder farmers often lack access to technical information and the adoption of more sustainable practices may lead to higher production costs or lower production. Supporting farmers in overcoming these barriers, with funding or services from the private sector is one of the main reasons why donors and governments have looked to PES with high expectations over the last decade.

There are many open questions with regard to the scope of PES, their cost-effectiveness in addressing the growing global challenges of climate change and food security, and their theoretical baseline assumptions.

The answers to such questions can often be found in lessons learned from existing projects, and they have to be taken into account in future designs of PES schemes. Therefore, the goal of the project is to understand current bottlenecks preventing their effective and long-term implementation and searching for innovative solutions to these problems.

Looking at the theoretical fundaments of PES led us to identifying a set of case studies that can illustrate innovative ways of implementing instruments, to support improved environmental management. With partners all over the world, the project will provide recommendations on what can really bring farmers, private sector and government together in co-funding improved management of land, forest and water.

The next step will be to support selected projects in integrating these findings and explore the role entrepreneurship and innovation in agriculture.

An online discussion to gather views more widely is being launched on 25 February 2013, hosted by the FAO Global Forum on Food Security and Nutrition. Join the discussion and contribute to the outcome of this work.

Partners

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Federal Office for Agriculture FOAG

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