

Integration of Ecosystem Services into Development Planning

An introduction and outlook

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on the basis of material prepared under the GIZ titles:
ZI: Biodiversity and Ecosystem Services
SV: Implementation of the CBD



Biodiversity is more than species conservation



- “Urgent need to integrate ecosystem services into the macro-economics of our societies“ (TEEB, 2007)
- “We can’t manage, what we don’t measure“ (TEEB, 2010)
- The UN targets to reduce biodiversity loss were not achieved (GBO 2010)
- Strategic Plan of the CBD for 2011-2020:
- Mainstreaming through combating the drivers of biodiversity loss
- TEEB is one of the three pillars of Green Economy (UNEP), besides Green Jobs and Renewable Energy
- Recognizing the role of ecosystem management for the implementation of Green Economy (UNEP ISSUES Paper, International Ecosystem Management Partnership)



... „Two thirds of all Ecosystems are either degraded or destroyed“ ... (MAE 2005)

Biodiversity in German Development Cooperation

- Biodiversity conservation and the promotion of **Ecosystem Services** is a **guiding principle of German Development Policy**.
- As from 2013 on, Germany will provide **500 Million Euros/year** for the **conservation and sustainable use of Biodiversity**. The implementation of TEEB is important element thereof
- In this context, „Conservation and sustainable use of Biodiversity“ goes **beyond traditional approaches** towards the protection of Nature, Species and Ecosystems.
- **There is urgent need for Mainstreaming** – within German development policy and in relation to the policies and strategies of partner countries.

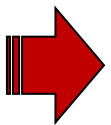


Reference: Initiatives for the valuation and integration of ecosystem services in political and economic decisions



TEEB: The Economics of Ecosystem Services and Biodiversity

- Guide to Corporate Ecosystem Valuation (WBCSD, WRI, IUCN, ERM, PWC)
- An Introductory Guide to Valuing Ecosystem Services (DEFRA)
- The Corporate Ecosystem Services Review (WRI)
- Corporate Biodiversity Management Handbook (GTZ-BMU)
- Ecosystem Goods and Services in Developing Planning: Guidelines of CBD Secretariate



There is a need for practical orientation on the Integration of Ecosystem Services in Development Cooperation

The Approach

Integrating ecosystem services
into development planning (IES)



The Essence

- Biodiversity is the basis of functioning ecosystems
- Development is linked to the availability of ecosystem services
- Development and economic activities can have negative impacts on ecosystems



**In development planning and implementation:
HOW can we and our partners:**

Reduce the dependency on ecosystem services

Reduce negative impacts of development on ecosystems

Enhance quality and quantity (availability) of ecosystem services



- **Which Risks can we avoid?**
- **Which Opportunities can we use?**
- **How is the distribution of costs and benefits?**

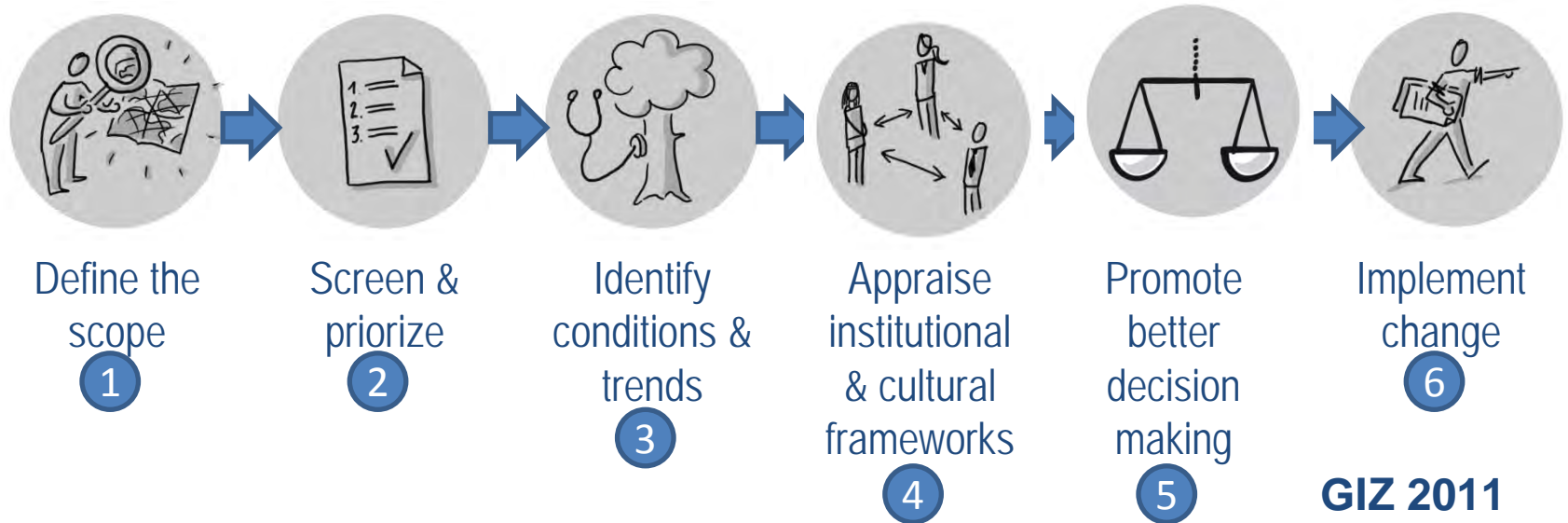
The IES Approach

- **What is IES?** A stepwise Approach to systematically evaluate and value Ecosystem Services and to integrate them in development processes.
- **What is the Purpose?**
 - (i) to demonstrate the importance of ecosystem services in development planning;
 - (ii) to visualise the impact of development on the availability of ecosystem services.
 - (iii) to clarify risks and opportunities, to identify, assess and implement alternatives.
- **When and where can the approach be used?** Design, Implementation, Monitoring and Evaluation of planning processes, projects and activities.





IES: Stepwise approach for integrating ecosystem services into development planning



GIZ 2011

Recognise the value of Ecosystem Services

Describe the values of Ecosystem Services

Integrate the values of Ecosystem services in decisions

Products and Services

- Manual „Integrating Ecosystem Services into Development Planning“ (IES)
- Training with Harvard Case Methodology (SOA, Germany, Costa Rica, Namibia and SADC, Brazil).
- Sensitization of political Decision Makers: Conferences (PEP, SOA, MENA Region, Brazil)
- Support to Dialogue Processes (Brazil, Costa Rica, Peru, SOA, MENA)
- Professional support in the implementation of IES methods and instruments (Peru, Vietnam, Brazil, Costa Rica)
- Support to Networks and knowledge management (SNRD Africa and SOA, GARDELAK)
- Support to appraisal missions + elaboration of offers (India, Brazil, Mexiko, Ecuador and Colombia...)

Next Steps

- Train the Trainers (ToT) IES event in January 2012, envisaged regional training (ACB, Philippines, 2012)
- Training and Consultancy in IES Processes (Vietnam, Ecuador, Costa Rica, Brazil, Mexiko, Peru, Thailand,...)
- Socialising and dissemination of the manual in other sectors (water, energy, agriculture)
- Cooperation with UNEP: Capacity Building and dialogue processes
- Professional support for the development of project ideas and proposals (e.g. ICI)
- Learning from field implementation: IES and first experiences in EU/GIZ/UFZ: ECO-BEST, Thailand



Comments on TEEB from the Field: ECO-BEST, Thailand

- A good new package to **communicate** Ecological Economics to a wider public
- Difficult to **contextualize** for ecologists and Protected Area managers
- TEEB is difficult to **introduce** in Project development and implementation
- Project managers were requested by partners at all levels to **find a simple word** for being used with LOCAL stakeholders and in particular at the community level
- **An effort is necessary to make “TEEB an outstanding approach for the practitioner”**



What would be needed to make TEEB more palatable?

- “I was asked many time to **share more information on the economic tools/instruments** that would be used/developed in other countries”
- “Wherever I presented our project and TEEB, it was **considered very interesting and useful**”
- “To learn how to interpret Protected Areas and their assets and benefits in economic terms is an urgent need for Park and PA managers. They know they must go into this direction, and **there is a need to apply economic instruments to ensure community and political support**”



Is the application of IES in Development Planning a solution?

- IES is a logical consequence of the TEEB study and an important step towards implementing the approach
- IES addresses the issues and tries to find practicable solutions to some of the raised questions
- IES provides clear guidelines e.g. through the six-steps approach
- Still only one (the sixth and last) of the steps addresses field implementation; why?
- Finally, IES is a contribution towards achieving the CBD Aichi Target 2



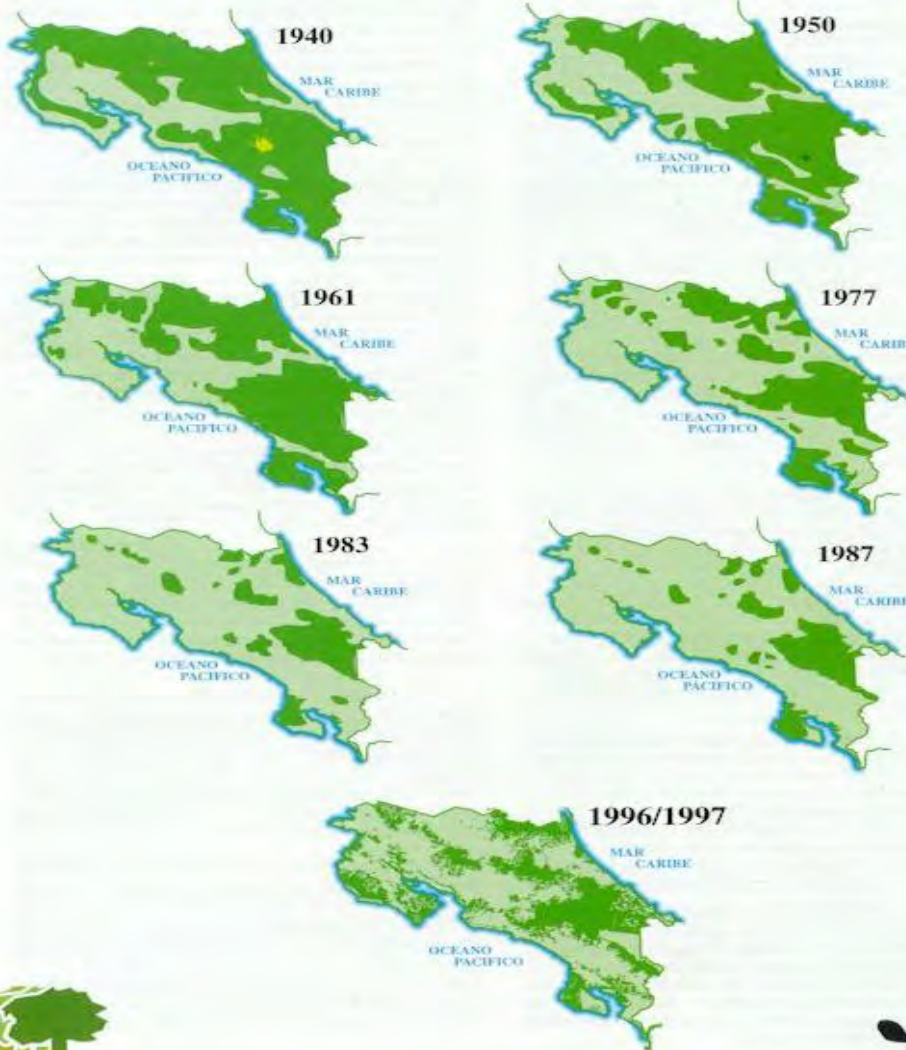
Aichi target 2 of the Strategic Plan

By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems.”

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Cobertura Boscosa Densa (80-100% de cobertura del suelo) en Costa Rica en los años 1940, 1950, 1961, 1977, 1983, 1987, 1996/1997



Fuente: FONAFIFO



PERIOD
1940 - 1997

YEAR 2000



EVOLUTION OF FINANCIAL MECHANISMS

Phase III

1997 - 2002

PSA

Payment for Environmental Services

Phase II

1988 - 1995

Forest Support Certificates
Reforestation, Forest Management and Protection

1979 - 1992

Phase I

1972 - 1995

Profit Tax Deduction
For Reforestation

Tax Deduction for forest protection

RECOGNIZED ENVIRONMENTAL SERVICES – Costa Rica

- ✓ **Carbon sequestration**
- ✓ **Protection of water resources**
- ✓ **Biodiversity Protection**
- ✓ **Scenic Beauty**

PAYMENT FOR ENVIRONMENT SERVICES



SINAC, FONAFIFO

**CCD -
1997**

**Forestal Law
Biodiversity Law**

**Global
Acknowledgment of
Environment Services**

Where do the Funds come from? (Costa Rica)

National

International

GOVERNMENT

Fuel Taxes (3.5%)

US\$7 million / year

Water Tariffs

**Agreements with
Hydropower Plants**

PRIVATE

Electric Power Plants

Water Providers

**Payment for
Environment
Services**

World Bank

Loan of US\$ 32.5 mill.
Donation GEF of US\$ 8 mill.

Norway

US\$ 2 mill.

KFW (Germany)

US\$ 10 mill.

Thank you **AGAIN**
for your
ATTENTION



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Credit: „Future Innovation“, Biodiversity and Ecosystem Services
SV Biodiv - Marina Kosmus, Isabel Renner, Silvia Ullrich,