Incentives for Ecosystem Services (IES) to finance the implementation of ecosystem-based approaches (EbA) for adaptation

Dr Lucy GARRETT | FAO | 5 December 2017
EbA good practices
To overcome these barriers, farmers require **INCENTIVES** to

- **Overcome SHORT-TERM needs**
- **Support a LONG-TERM transition**

**Improved and diversified productivity**

- Allows for greater investment in EbA to protect, rehabilitate and restore sensitive habitats
- Without compromising food security
- Supports building resilience of agriculture-based livelihoods and agro-ecosystems
- With ecosystem services benefits for farmers and other users

**Methods and tools to support the implementation of ecosystem-based approaches (EbA) for adaptation in agriculture sectors**

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Incentives: A wide range of sources

Policy-driven investments:

Public programmes and companies fulfilling environmental regulations

Voluntary investments:

Public programmes investing in sustainable agriculture for food security and rural development

Voluntary investments to secure higher returns for sustainable production choices (e.g. conservation of threatened breeds and varieties)

Voluntary investments rewarding good environmental stewardship

Methods and tools to support the implementation of ecosystem-based approaches (EbA) for adaptation in agriculture sectors

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### Methods and tools to support the implementation of ecosystem-based approaches (EbA) for adaptation in agriculture sectors

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From PES to IES...

*PES alone cannot support transition to sustainable agriculture, and address all the threats to ES and livelihoods*

Methods and tools to support the implementation of ecosystem-based approaches (EbA) for adaptation in agriculture sectors

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Incentives for Ecosystem Services (IES) Packages

Diverse incentives to support EbA adaptation across landscapes

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IES Packages

IMPROVE COORDINATION of public-private-civil society to:

• Provide a supportive institutional enabling environment to offer a spectrum of incentives for farmers and other landscape actors
• Restore and protect ecosystem services across the landscape, improve productivity, food and livelihood security, and builds resilience
• Provides multiple entry points to enable co-financing from both public and private users of ecosystem services provided by agro-ecosystems, at lower social costs
• Spreads the burden of risk for investment across investors
• Bring environmental co-benefits to farmers, and other sectors of society.

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Incentives to support sustainable production, livelihood resilience and biodiversity conservation, Mexico

- Zoning of protected areas, ecosystem monitoring: CBMM
- Ecotourism infrastructure: $ Banamex
- Use of organic fertilizers and improved irrigation: $ COUSSA
- Improved maize, wheat and cattle breeds: $ MasAgro, $ PURSN, $ PROGAN
- Certified sustainable shade-coffee plantations: $ Certificacion para la Productividad Agro-alimentaria
- Sustainable maize and bean production: $ PROMAF with improved harvesting and processing practices: $ PAAP, $ PROCAMPO
- Forest protection and restoration: $ PRONAFOR, $ PRORRIM, $ CONABIO

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Incentives to support adaptive micro-watershed management and reforestation, Rio Rural, Brazil

Incentives for Ecosystem Services in Agriculture (IES)

- Improved fodder: sugar cane silage to reduce herd size and GHG emissions
  - $ EMATER (technical assistance)
  - $ INTEGRAL

- Fenced water spring
  - $ Programa Productor de Agua, from water users

- Water recharge buffer
  - $ Programa Productor de Agua
  - $ CEPF

- Rotational grazing
  - $ EMATER (increased productivity reduce pressure on remaining forest)
  - $ BMBF/ University of Cologne

Nature reserves within properties and monitoring of ecosystem services
- $ CEPF
- $ Conservation International
- $ Mata Atlantica

Key:
- $ Public programme
- $ Private investment

Methods and tools to support the implementation of ecosystem-based approaches (EbA) for adaptation in agriculture sectors
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Coordinated finance to support incentives for largescale watershed management, Upper Tana Nairobi Water Fund, Kenya

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Scaling-up Adaptation in Agricultural Sectors (SAAS) webinar series

**Coordinated finance to support incentives for watershed management, Upper Tana Nairobi Water Fund, Kenya**

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<thead>
<tr>
<th>Incentive</th>
<th>Private sector</th>
<th>Public sector</th>
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<tbody>
<tr>
<td>Capital for investment - Reforestation, restoration - Improved agricultural production</td>
<td><img src="#" alt="Frigoken" /></td>
<td><img src="#" alt="IFAD" /></td>
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<tr>
<td>Technical assistance - Reforestation, restoration - Improved agricultural production</td>
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<td>Strengthening inter-institutional coordination</td>
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<td><img src="#" alt="Pentair" /></td>
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<td>Increased livelihood opportunities</td>
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**Facilitating agencies**

- CIAT
- IFAD
- gef
- The Nature Conservancy

Incentives for Ecosystem Services in Agriculture (EbA)

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Thank you

Further information on the IES approach can be found at:


IES-Info@fao.org
Methods and tools to support the implementation of Ecosystem-based Adaptation (EbA) in the Agricultural Sectors

Questions and Answers