


Incentives for Ecosystem Services in Agriculture (IES)

The project aims to raise awareness and establish a basis for informed decision-making by public and private actors to support ecosystem services and contribute to long-term food security and sustainable agriculture development.

What are ecosystem services?

Ecosystem services in agriculture are the benefits society gets from the environment thanks to farmers interventions. Nutritious food, clean water, healthy soils, pest and disease control and biodiversity are just a few examples of those benefits.





Agricultural systems are at the heart of the trade-off between assuring food security and improving economic situation of rural population while ensuring the sustainable use of natural resources. Agriculture must, besides producing food and fibre, provide other ecosystem services to meet society's need for clean water and air as well as biodiversity. However, **the provision of ecosystem services in agricultural systems require concrete activities by farmers**, for example terracing, agroforestry practices, afforestation, conservation tillage, and many others.

In reality, **ecosystem services**, such as biodiversity habitats, culturally valued landscapes and watershed protection have the character of public goods. They benefit Mankind at large but tend to be available at no charge. This situation leads in many cases to unsustainable use of these scarce natural resources because existing **markets often fail to value them**.

Project timeline

2012

June
Project launch

2013

Online Discussion in the FAO
Forum on Global Food Security
and Nutrition

Case studies elaborated with
partner IES-agreements

September
Expert meeting to share
findings for priority setting



If farmers are to adopt more sustainable practices, they will require more than information and capacity building. **To ensure sustainable food and agriculture systems, farmers need to receive an integrated incentive package that may include information, knowledge and capacity building, access to rural finance, higher value markets, payments** and greater participation in the design of underlying policies and programmes.

The design and implementation of an adequate incentive package requires locally adapted arrangements and enabling framework conditions. These agreements bring the various stakeholders together. Incentives for ecosystem services link beneficiaries of the service, such as society or private businesses, with farmers providing the service. They remunerate farmers for their activities and assure that the services are valued by private sector and society.

The project supports decision makers from public and private sectors alike who are interested in implementing incentive mechanisms for the maintenance or adoption of technologies and practices that protect and improve ecosystem services provided by agricultural production.

2014

Case study analysis,
IES Mainstreaming

June

1st Meeting of the Policy
Advisory Committee

2015

Launch of the web platform

January-April

Analysis and
establishment of toolbox
including implementation
and policy related tools
and methodologies

June-September

Regional Workshops focused on
IES implementation challenges

November

Extended Policy Advisory
Committee to discuss selected
policy issues emerged during
the analysis





What we do

Incentives analysis



This project aims to raise awareness of the importance to provide incentives for **ecosystem services**. It analyses key-aspects regarding the political and legal framework and the institutional set-up which best supports the sustainable provision of ecosystem services through strong and equitable agreements between the provider and the beneficiaries of the service. **We support the dissemination of promising findings and experiences** from case studies, through practitioners and experts meetings, organization, supporting direct outreach to field projects and linking with key institutions forming the project's policy advisory committee fostering the dialogue on policy issues.

To foster a substantiated debate on incentives for ecosystem services, **we are identifying the elements necessary** for a supportive and coherent policy and legal framework and efficient and effective impact assessment. The analysis uses case studies that provide evidence from examples around the world on types of agreements, incentives and stakeholders involved. The cases are studied to **explore innovative approaches** and evaluate the potential for scaling up and replicating under different conditions.





The analysis is divided in three main parts:

Describing the elements of an IES agreement

A set of fact sheets is compiled describing different examples of ecosystem service provision in agriculture. They include stakeholder involvement, institutional set-up, incentives and funding mechanisms. We also address the benefits to food security, and the environmental, economic and social impact.

Understanding the role of policy, legal and institutional framework

The focus is on the different sectoral policies in place, and the role of local and national authorities that together create an enabling environment. Using case studies from different countries, we analyse how the policy, legal and institutional frameworks influence the success of the selected agreements.

Designing incentives that have an impact

Ensuring the long-term involvement of ecosystem services providers and beneficiaries can only be achieved through an effective evaluation that can measure their ecosystem services impact. It is however a costly exercise. Pragmatic impact assessment is critical to ensure sustainable ecosystem services provision. This analysis evaluates key trends in incentive-design that ensure environmental, social and economic impact towards food security and poverty alleviation at affordable costs.



Stakeholders dialogue

A main objective of the project is to stimulate the debate on IES development and implementation through technical workshops, capacity strengthening and a multi stakeholder dialogue on issues such as:

- Coherent policies enabling the establishment of robust and financially sustainable incentives
- Role, functions and expectations of all stakeholders, farmers, companies local authorities and civil society involved in agreements for ecosystem services provision

A Policy Advisory Committee supports the dialogue on incentives to sustainable intensification of agriculture, agribusiness and poverty alleviation. These discussions will enrich the outcome and conclusions of the analysis.

Ecosystem Services and Biodiversity for Food and Agriculture is one of FAO's Major Areas or Work (MAW) showing its importance for sustainable agriculture now and in the future. Through this MAW, the project is mainstreaming IES within FAO work and governing bodies.

www.fao.org/ecosystem-services-biodiversity





What the project provides:

Focused debate spaces

- Regional workshops on developing the most efficient combination of incentives and promoting the legal and political frameworks needed to foster IES
- Expert workshops providing a space for cross-fertilization between geographies
- Extended Policy Advisory Committee meeting promoting IES in International fora



A knowledge-sharing platform

- To serve as global knowledge hub by sharing knowledge from global IES research and experiences
- To gather experience for the toolbox and facilitate links with partners
- To support dialogue on policy issues by informing about national and international dialogue events

A toolbox for decision-makers

The project will develop a toolbox presenting tools to value and map ecosystem services, transfer funds from ecosystem services buyers to farmers, track impact of IES, etc. It will also include policy guidance to increase coherence and institutional coordination across the agriculture, environment and food security sectors.



IES at a glance



Food



Landscapes



Climate



Biodiversity



Water

Analysis and evaluation of existing incentive agreements

Assess different examples of agreements to support ecosystem services provision collected from around the world with regard to their environmental, economic and social impacts, in particular in relation to poverty alleviation, food security, rural and community development



IES-toolbox

Develop a toolbox supporting decision makers from public and private sector and civil society in the development of agreements providing incentives for ecosystem services, considering technology and management solutions as well as various policy or institutional conditions

Dialogue on policy issues

Fostering an informed dialogue to identify policies that support the establishment of agreements providing sustainably viable incentives, contributing in a long-term to the creation of guidelines for efficient and sustainable IES agreements based on field experiences and literature



Knowledge-sharing platform

This platform serves as a global knowledge-hub for sharing information, knowledge and experiences on remuneration of ecosystem services and agriculture, connecting institutions and partners involved, making research outcomes on incentives for ecosystem services and agriculture available to support policy dialogue

Contact



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