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SYDNEY 2014



Main outcomes of the International Forum on Payments for Environmental Services of Tropical Forests

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International Forum on PES for Tropical Forests

- **Aim:** to highlight the importance of PES and explore the ways and means to enhancing/scale-up PES
- San Jose, Costa Rica, 7-11 April 2014
- FAO, ITTO & Govt. of Costa Rica
- 150 participants, 60 countries



The need for PES in tropical forests

- Tropical forests provide critical environmental services
- Many people who benefit from such services pay little or nothing for them
- PES can help enhance the economic competitiveness of SFM by assigning a financial value to un-marketed forest ecosystem services
- Action is needed to promote PES for increased remuneration from tropical forest management



PES for Sustainable Forest Management

- SFM, including wood harvesting, can maintain the delivery of tropical forest environmental services
- Timber certification is a way of paying for environmental services through price premiums
- PES schemes should encompass the full continuum of forests and trees in landscapes - more inter-sectoral cooperation is needed
- PES schemes are more effective if incorporated in broad sustainable development models



Developing innovative financing mechanisms for PES

- PES schemes are effective when there is a clear demand for environmental services
- Currently, demand is low, partly due to lack of awareness among users of the need to pay, or lack of willingness to pay
- Financial mechanisms should have clear rules, transparent oversight and political legitimacy
- Private sector needs clarity on benefits and risks, and adequate monitoring



Ensuring benefits for local communities

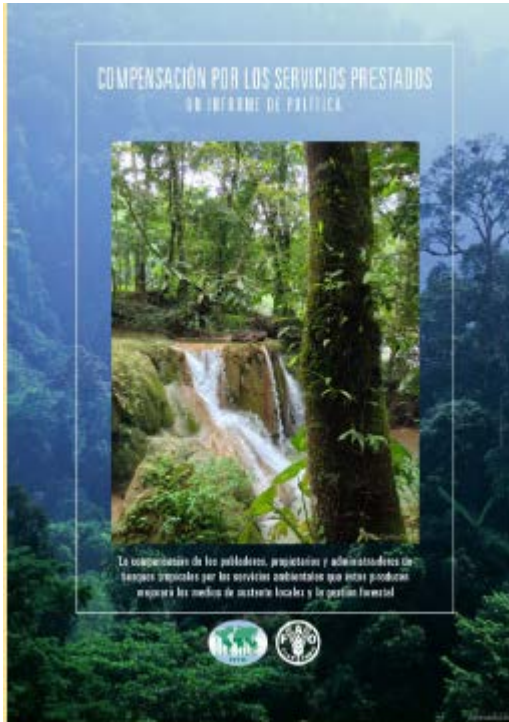
- PES schemes can help build trust between local communities, government and the private sector
- Indigenous peoples, local communities and other forest owners should be active participants
- Secure tenure (including of environmental services) is essential for successful PES
- PES schemes should promote gender equality
- Additional efforts are needed to build capacity in tropical forest communities to implement PES



Establishing robust governance and institutional arrangements

- Strong institutional mechanisms- accountable, transparent and responsive
 - Supportive legal framework
 - Good understanding of the system (costs and benefits) by key stakeholders
 - Decentralized and flexible governance could result in win–win outcomes/ scale-up
- (**co-ops**: reduced transaction, timely payments)





Thank You for your
kind attention