



International Workshop: Incentives for Private Land Conservation
6 November 2018

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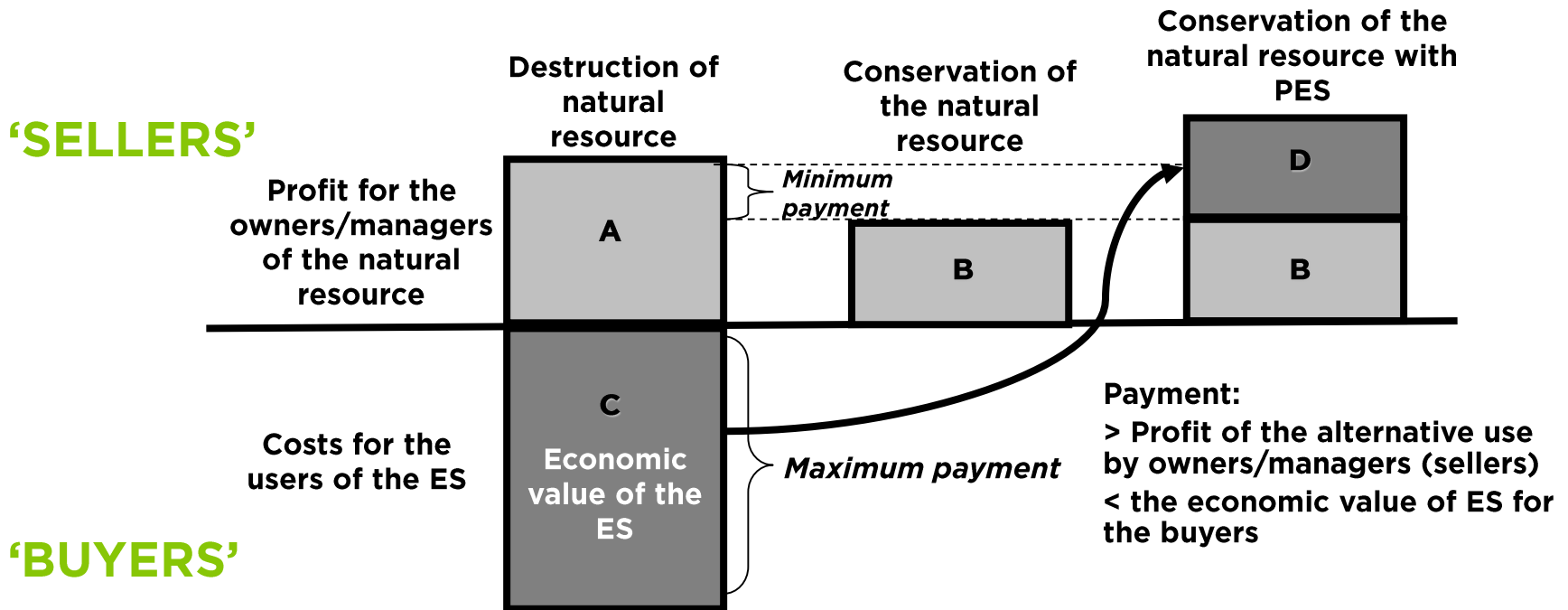
Payments for ecosystem services in Catalonia

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General overview on Payment for Environmental Services

DEFINITION

PES schemes represent a transfer of economic resources between different parties to compensate the owners/managers of a natural resources for the provision of environmental services.



However, most of costs for the users of ES are diffuse (CC, biodiversity loss, etc.), and that makes rare the existence of PES.

Main elements in a PES scheme



Agents participating in a PES scheme

In general, in a PES programme there are three types of agents involved:

- **Sellers**
- **Buyers**
- **Intermediaries**



Sellers (providers of the ES)

The sellers of the environmental service are those who have the capacity to decide on the management of a natural resource. They can be:

- Owners:
 - ❖ Individuals
 - ❖ Institutions:
 - Companies
 - NGOs
 - Public
 - Administrations
- Managers
- Representatives of the owners/managers



Buyers

The buyers of the ES are those that directly or indirectly benefit from them and express their willingness to pay for their use/conservation. Depending on the ES they could be:

Biodiversity and carbon sequestration:

- Environmental NGOs
- Public Administrations
- International bodies
- Companies, etc.



Water quality and conservation of water catchments:

- Water authorities
- Water bottling companies
- Water suppliers
- People working in agriculture, aquiculture, fisheries, etc.
- Hydropower plants



Recreational services:

- Visitors of natural areas
- Practitioners of nature sports
- Hunters
- Pickers of mushrooms and other wild fruits
- Educational and research system
- Tourism and services sectors



Intermediaries

Intermediaries conduct or facilitate the negotiation between sellers and buyers of environmental services. In some cases they also contribute to the design, control and monitoring of the PES programme.

They could be:

- Public administrations
- NGOs, foundations or other institutions
- Universities or research centres
- Etc.



Types of PES programmes

According to the nature of the buyer of the ES, PES programmes can be classified as follows:

- ✓ **Private PES schemes:** the buyers are individuals or companies who benefit directly from the environmental service and participate voluntarily.
- ✓ **Public PES schemes:** the Public Administration acts as the buyer, as a representative of the interest of the society as a whole.
- ✓ **Hybrid PES schemes:** buyers are NGOs, foundations or other institutions. In this case, they are not direct beneficiaries, but pay for ES that benefit the society at large (as in public PES schemes), and on a voluntary basis (as in private PES schemes).

General considerations in a PES scheme

Two different general criteria may affect the orientation of the PES schemes:

- **Conditionality principle:**
 - The payment would take place only in the case that the ES is effectively provided.
 - The relation between the actions of the providers and the actual provision of ES has to be measurable.
 - Monitoring activities are needed.

(this would avoid the possibility of just paying for changes in the land use, presuming an indirect relation with the provision of ES)
- **Additionality principle:** the PES scheme contributes to the provision of ES that would not be provided otherwise.

Advantages and critical points



Advantatges

- Might counteract some of the incentives to environmental degradation, which sometimes are of economic nature.
- Possibility to mobilise additional resources for nature conservation, involving new actors.
- Potential reinforcement of local actors and communities in managing their territory.
- Owners/managers can be asked for more responsibility.
- The importance of environmental services becomes more visible.
- Tool of environmental awareness: PES can be linked to the production of educational materials and scientific research.

Critical points

- Risk of mercantilisation of nature -> possible weakening of ethical motivations for nature conservation. Risk of 'no conservation if no (or reduced) payment'.
- Practical problems associated to monetary valuation.
- Possible generation of inequalities among territories.
- Possible generation of social inequalities (no access to ES if no payment) (e.g. mushroom pickers or visitors to natural areas).
- PES should avoid creation of dependencies from subsidies (e.g. among the agricultural and forest sectors).
- Compensation for the reduction of negative environmental externalities should be avoided.

Payments for environmental services in Catalonia



The Selvans programme

It is a programme devoted to mature forest conservation through payment for ecosystem services (PES), amongst other tools.

Goal of the programme: The creation of a network of mature forest in Girona within current protected areas.

Main objectives of the programme:

- Preserving biodiversity of mature forests in Girona
- Implementing compensation for the environmental benefits
- Achieving a representation of all types of the existing forests in Girona
- Fostering the enlargement of the network through sponsorship contracts

Key developments

2005: The programme started, it was originally designed for the stumpage acquisition of mature forests by regional authorities for the next 25 years. To compensate, the owner of the forest received a subsidy corresponding to the estimated opportunity costs of the forest. The Programme is mainly financed by public funds from Girona Provincial Council.

2011-2013: Due to budgetary constraints, Selvans became hosted by the NGO Acció natura as a standalone programme. It allowed Selvans to access to different conservation instruments and survive the financial crisis.

Conservation instruments since 2015

- Contracts for stumpage acquisitions, over a renewable 25 year period channelled mainly through the **CompensaNatura initiative**¹.

CompensaNatura initiative is an online fundraising tool aimed at collecting online donations from individuals and companies. These donations serve to compensate for the land occupation impacts of companies.
- Voluntary forest stewardship agreements over a minimum period of 50 years to ensure forests as “nature sanctuaries”. There are two possible ways: self-declaration or agreement with an entity of custody.
- Collaboration agreements with public administrations, over 10 years, to preserve reserves in forests of high natural value or coordinate public use of activities associated with forest conservation.
- Framework stewardship agreements in which private forest owners grants Acciónatura a period of 5 years during which the forest kept without, or with minimal, intervention. During this 5 years, Acciónatura has permission to seek funding for 1) stumpage acquisition, 2) the possible implementation of therapeutic itineraries and/or 3) developing a revision of the forest management plan.
- Contracts for the implementation of therapeutic forest walks over a period of 15 years.

Impacts of the programme

The most visible indicator of environmental impacts is the area preserved under the Selvans programme.

Agreements signed by Selvans with private and public owners since December 2013 and area protected.

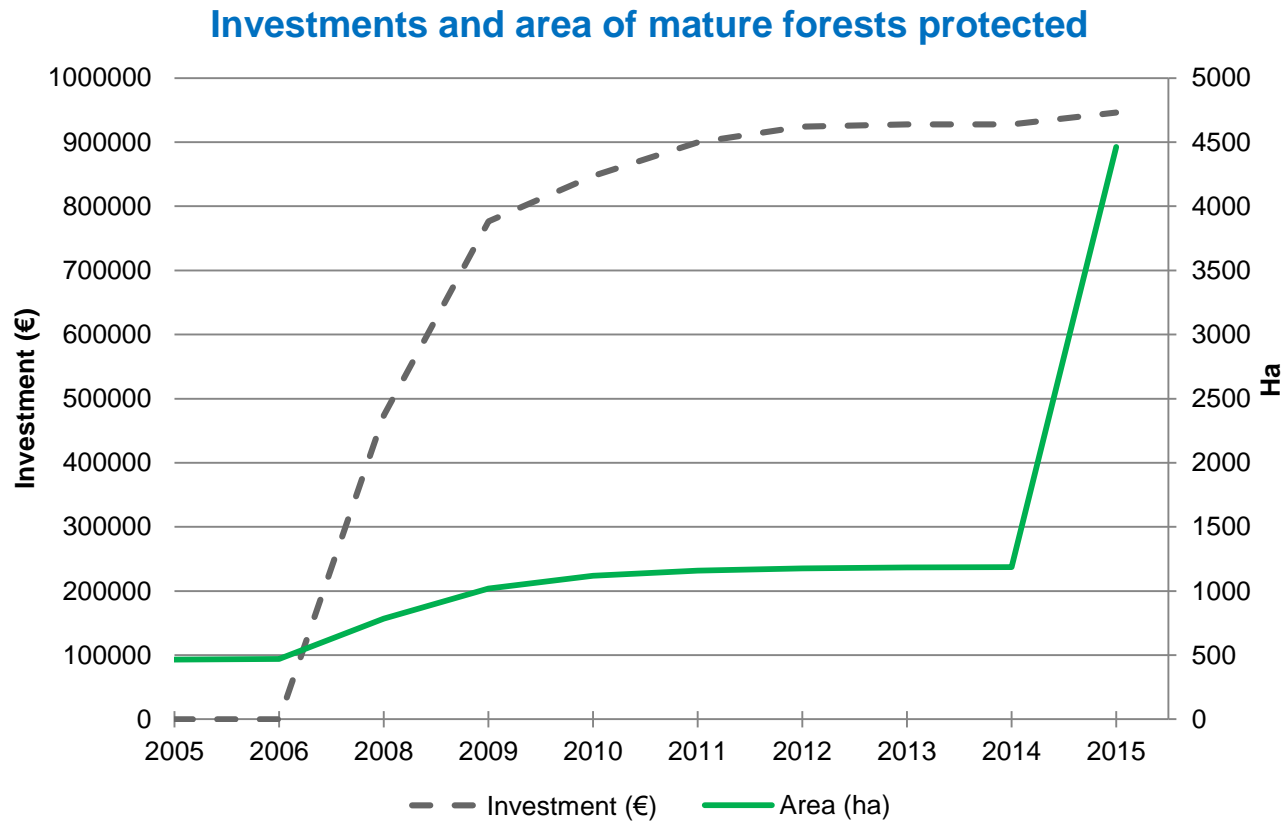
	Number of agreements, public ownership	Number of agreements, private ownership	Area (ha) of public forest under the instrument	Area (ha) of private forest under the instrument
Therapeutic forests	0	4	0	91.01
Voluntary network (50 years)	0	1	0	31.51
Payment for environmental services (25 years)	2	5	14.95	16.44
Stewardship agreements (25 years)	0	2	0	385
Collaboration agreements (10 years)	1	0	16.6	0
Change in forest/land use planning	1	0	17.7	0
Framework stewardship contacts (5 years)	1	11	55.77	2,656.1
Total	5	23	104.75	3,180.05

Source: *Acció natura*, personal communication

Payment for environmental services through stumpage acquisitions is the only one of these instruments that is associated to monetary compensations. Therapeutic walks is expected to create some economic returns in the near future.

Effectiveness

In 2015 the extension of protected areas increased thanks to the diversification of the available management tools.



Source: Personal communication. Carles Sunyer and Steffan Esser (Selvans).

Vallfogona del Ripollès example

The contract between Vallfogona del Ripollès Council and AccióNatura is one of the contracts for stumpage acquisitions over a 25-year period channelled mainly through the CompensaNatura initiative in the context of Selvans project.

Vallfogona del Ripollès council is the owner of “Rodolà”, a forest area of 4.95 ha that has special interest due to its preservation as a mature forest with beech (*Fagus sylvatica*) as the main species. For its particularities, this forest has been included in the Inventory of Singular Forests of Catalonia.



For the stumpage acquisition of Rodolà AccióNatura makes a one-off payment of 6,930 euros to the Vallfogona del Ripollès Council (the owner). This amount corresponds to the value of the estimated wood production during the duration of this contract (1,400€/hectare).

The Font Vella y Lanjarón example

The water company Font Vella y Lanjarón S.A has its springs located in Sant Hilari Sacalm (La Selva). During more than 25 years, the company has reached individualized agreements of PES with the owners of farms within the perimeter of their springs.

The agreements consist of paying the farmers in order to avoid intensive agriculture, the use of agrochemical substances, as well as to appropriate management of slurry.

This is one of the first examples of payment for ecosystem services (PES) made between private owners in Spain.

Both parties benefit, the company for maintaining its economic resource and the owners for the payments they receive.



Other examples of PES in Catalonia

Parking of "La Masieta" in the Mont-Rebei Gorge

You pay 6 euros a day to park, to the owners of the site (private fundacion "Fundació Catalunya-La Pedrera"). This source of income is dedicated to maintain the natural space.



Monastery of "Sant Miquel del Fai"

Up to 2017 the natural space of Sant Miquel del Fai was property of the company Espai Natural Sant Miquel del Fai SL. During the private management of the area, people paid to enter the space and this source of income was dedicated to preserve natural properties of the area.



Thermal baths "El safareig" of Caldes de Montbui

Users pay 6 euros to take advantage of the medicinal properties of the natural thermal water.



**Concluding remarks
on PES**



Concluding remarks on PES

- **PES can be effective for nature conservation when:**
 - Barriers for conservation are mainly economical and a small remuneration may change the practices of owners/managers of the natural resource.
 - Property rights and environmental services are well defined.
 - Sellers and buyers can be well identified and a transaction among them is possible.
- **Due to the above reasons, private PES schemes are rare and with a limited potential.**
- **The notion of PES and the criteria of conditionality and additionality may orientate public conservation policies.**

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**Thanks for
your attention**