



**THE GLOBAL
MECHANISM**

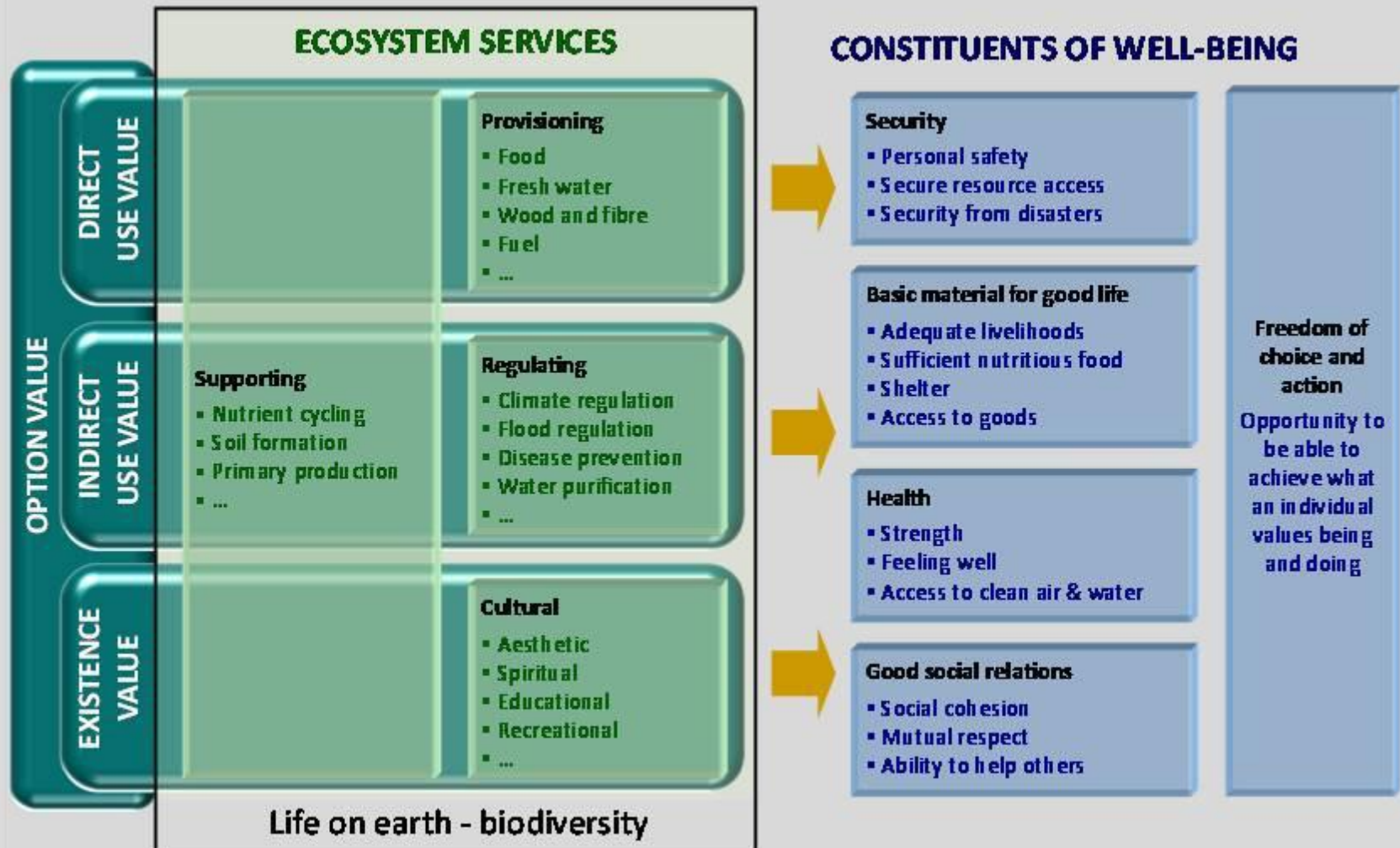
**ECONOMIC INSTRUMENTS/TOOLS TO SUPPORT AN INTEGRATED
APPROACH TO BIODIVERSITY CONSERVATION AND RESTORATION...**

EXPERIENCE OF THE GM/UNCCD

**CAPACITY-BUILDING WORKSHOP FOR SOUTHERN AND EASTERN AFRICA
ON ECOSYSTEM CONSERVATION AND RESTORATION.**

LIVINGSTONE, ZAMBIA

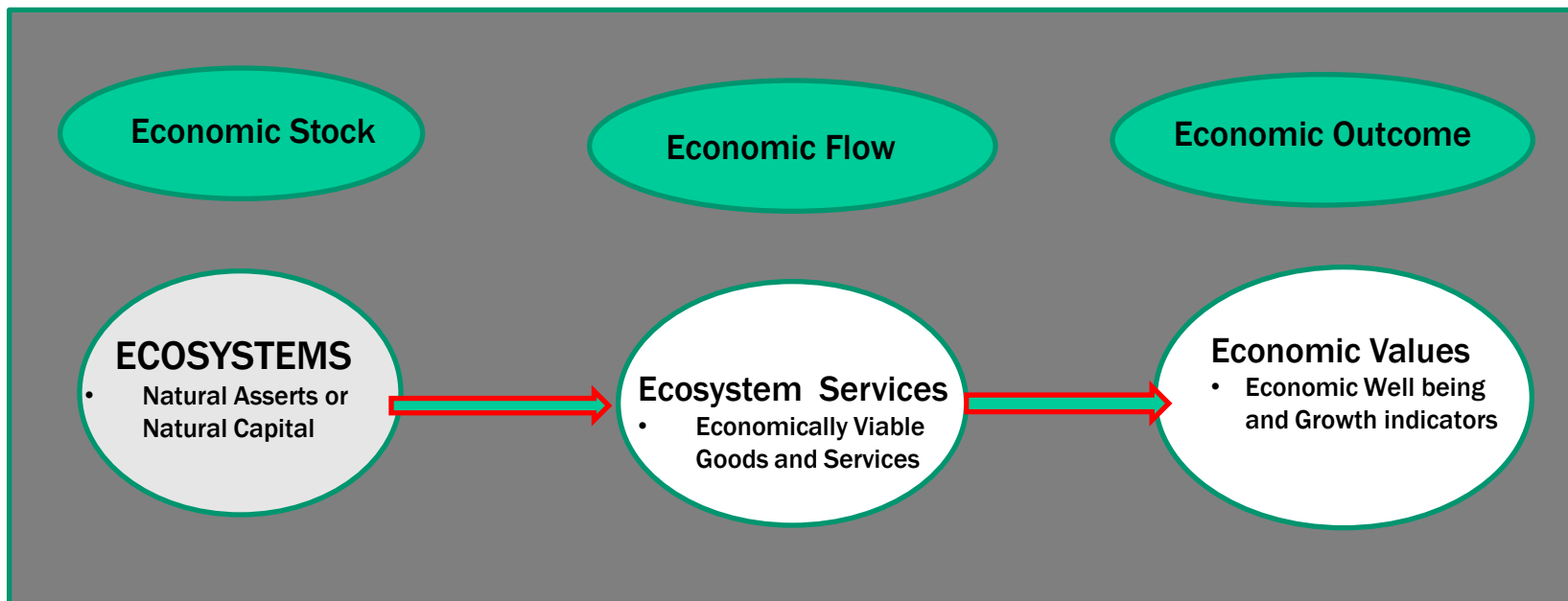
12 – 16 MAY, 2014



INTRODUCTION

- Biodiversity, underpin the economies of nations and the livelihoods of people across the world
- In many places, biodiversity is being degraded by a series of pressures. Biodiversity is declining fast, thereby threatening the survival of humanity (OECD,2012).
- This is partly because the value of biodiversity, to national development and in poverty reduction, is often not properly understood or appreciated
- Biodiversity produces goods and services and it is on these that economic values are assigned.

Calculating the value of economic **stock** and **flows** is a way of estimating economic returns on investing in the conservation and sustainable use of land resources



- Several types of biological resources have both present and future use, hence, economic value
- But often biological resources have been treated as a free good which can be mined, converted or depleted (degraded) at no social cost
- Markets, policies and institutional arrangements tend to under value many goods and services associated with biological resources and ecosystems; resulting in biodiversity being underpriced, over consumed, and under conserved).

Economic Instruments

- Several economic instruments are used to assess the benefits of biodiversity conservation. These are classified into market-based mechanisms and non-market-based mechanisms (IUCN,2008)
- There is interest in market-based approaches to conservation. The rationale is to create incentives for resource managers and/or owners to behave in that sustain environmental functions such as carbon sequestration, etc.
- GM working with CATIE in Costa Rica has designed a framework and tool for assess applicability of some of these market-based mechanisms to promote sustainable land management including conservation and restoration.

GM APPROACH – ECONOMIC VALUATION

GM working with a number of partners: the **OSLO Consortium**

- The OSLO consortium is a partnership platform of leading research and academic institutions, international organizations and UN agencies that aims to promote responsible land-use by demonstrating the total economic value of terrestrial ecosystems and generating socio-economically viable and environmentally sustainable land use options
- The OSLO approach involves assessing the **net socio-economic benefits** of sustainable land and ecosystem management, and reducing the risks and uncertainties associated with eco-system smart policies and investments. Through this, benefits in sustainable economic growth and poverty reduction, reversing land degradation and strengthening the protection of ecological integrity may be realized

OSLO METHODOLOGY

Assesses the quantity and quality of land use options



Analysis and valuation of environmental goods and services and their influence on community well-being.



Identification of patterns of land degradation and pressures that generate them



Evaluation of sustainable land-use options

Analysis of the most effective Incentives and Market-Based Mechanisms (IMBMs) to fully realize the SLM opportunities identified through the Economic Valuation of Land (EVL)

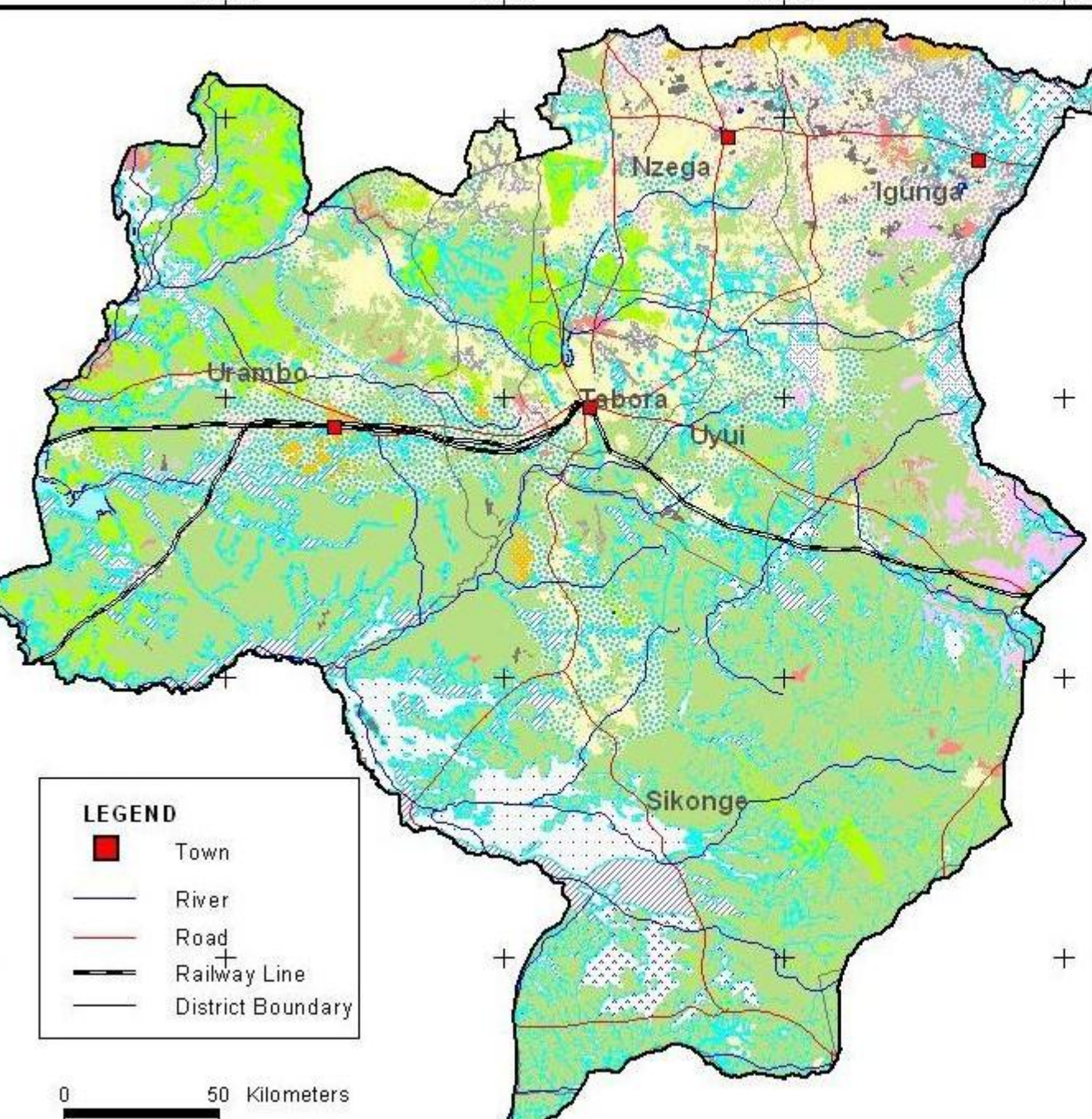
TABORA REGION: LAND COVER TYPES 2002

360000

450000

540000

630000



Land Cover Type

- Plantation Forest
- Closed Woodland
- Open Woodland
- Woodland with Scattered Cropland
- Dense Bushland
- Open Bushland
- Bushland with Scattered Cropland
- Bushland with Emergent Trees
- Thicket
- Thicket with Emergent Trees
- Wooded Grassland
- Bushed Grassland
- Open Grassland
- Grassland with Scattered Cropland
- Wooded Grassland Seasonally Inundated
- Bushed Grassland Seasonally Inundated
- Open Grassland Seasonally Inundated
- Mixed Cropland
- Cultivation with Tree Crops
- Cultivation with Herbaceous Crops
- Others
- Permanent Swamp
- Water
- Urban Area

LEGEND

- Town
- River
- Road
- Railway Line
- District Boundary

0 50 Kilometers

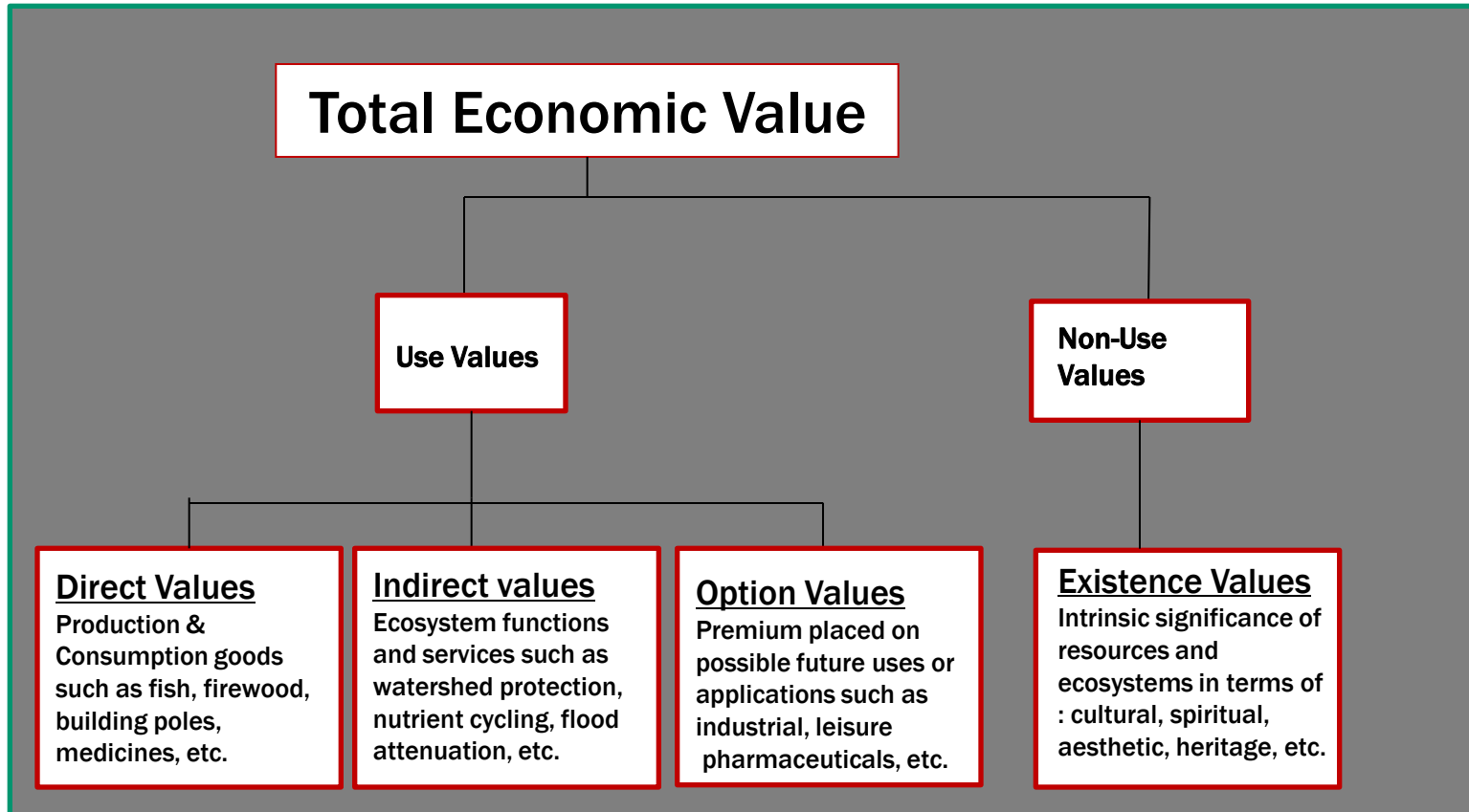
9540000

9450000

9360000

9270000

- The total economic value of ecosystems



Economic valuation of Tabora Region, Tanzania

Major Land Cover Types	Area (ha)	% Total Area	Provisioning Services (\$ per year)	Water Regulation (\$ per year)	Tourism & Cultural/Aesthetic Values (\$ per year)	Carbon Sequestration Total stock value (\$)
Bushland	432,968	6	34,637,440	12,989,040	5,195,616	618,278,304
Cultivated Land	892,502	12	280,245,628		10,710,024	1,137,940,050
Grassland	201,518	3	53,978,035	6,045,040	2,418,216	287,767,704
Permanent Swamp	146,798	1.6	29,359,600	88,078,800	1,761,576	149,733,960
Seasonally Inundated Swamp	1,445,539	19	338,256,126	578,215,600	17,346,468	1,474,449,780
Plantation Forest	633	0.1	101,280	31,650	7,596	1,291,320
Thicket	94,434	1	7,554,720	2,833,020	1,133,208	134,851,752
Woodland	4,407,791	57	705,246,560	220,389,550	52,893,492	8,991,893,640
Other, Water, Urban	20,932	0.3				
Totals	7,643,115	100	1,449,379,389	908,582,700	91,466,196	12,796,206,510