

The Katoomba Group's Legal Initiative

Developing legal clarity for ecosystem service markets and payments



Program Overview

Markets and payments for ecosystem services (PES), including those for carbon, water, and biodiversity, raise complex legal questions. Yet, little guidance exists for understanding and navigating applicable laws and regulations. Similarly lacking is information about “best practices” for ensuring that PES agreements are equitable, sustainable, and environmentally effective. This uncertainty affects all stakeholders, from communities to project developers and other ecosystem service providers, investors, and policymakers.

Forest Trends and the Katoomba Group's Legal Initiative work to clarify PES legal issues and address technical gaps. Specifically, we:

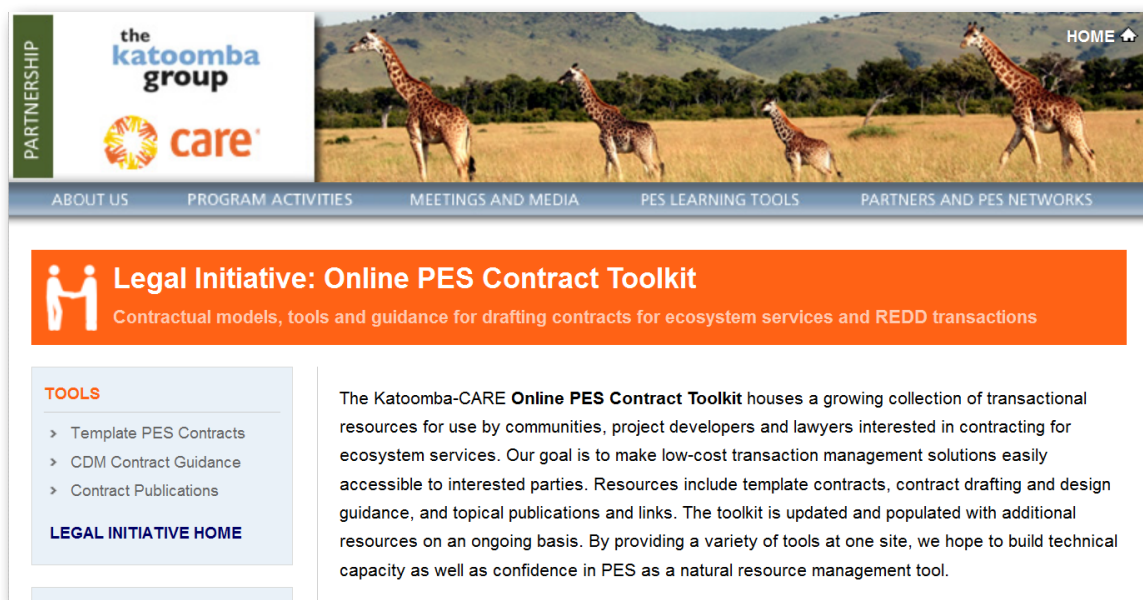
1. Develop country-specific legal and policy information on opportunities and barriers for PES.
2. Create and share transactional tools in order to increase predictability and clarity and reduce costs in PES transactions.
3. Engage in capacity-building for PES stakeholder groups.

Examples of our Work

- Forest Trends commissioned a legal study by the law firm Baker & McKenzie which found that Brazil's indigenous Suruí have rights to revenues from forest carbon projects on their land. This has important implications for all of Brazil's indigenous communities.
- Two studies, completed in the fall of 2010, examine the application of existing law to forest carbon projects in Peru's conservation concessions and Vietnam's mangroves. These studies clarify local rights and responsibilities and may have global implications.
- Scoping studies engaging diverse local stakeholders on the potential for forest carbon projects in Ghana, Tanzania, and Uganda have helped lay the groundwork for successful PES in these countries.
- Legal training modules are in development to give communities, PES practitioners, and policy makers a clear understanding of legal issues related to markets and payments for ecosystem services.
- The Katoomba Group and CARE International launched an online PES contracting toolkit in 2009. This toolkit contains contract templates, contracting guidance, and relevant publications. New materials are added on an ongoing basis to provide the most up-to-date information.

"As a new form of property, forest carbon presents legal complications that no jurisdiction has completely untangled."

– David Takacs
in *Forest Carbon - Law & Property Rights* (2009)



The Online PES Contract Toolkit and other resources can be found at: www.katoombagroup.org/legal

