



Establishing Property Rights in Environmental Services

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Property Rights of Products from Natural Resources

- For sustainable flow of products
- Often complex (mining, water, trees), established by legislation, tradition
- Can establish markets w/ or w/o (but impacts efficiency, equity, conflict)



Types of Property Rights for Natural Resources (Ostrom)

- Access: to enter area and enjoy non-subtractive benefits
- Withdrawal: to obtain resource or products (or environmental service)
- Management: to regulate use patterns and transformations of the resource
- Exclusion: to determine who will have access right and how that can be transferred
- Alienation: to sell or lease management and exclusion rights



Property Rights for Environmental Services

- Is the service a common property resource or a public good?
- Tied to sustainability of stock of natural resource
- Options: consumer, community, state, individual landowners, other?

Effective Governance Regime

Defines:

- Who is allowed to appropriate product [or affect flow of environmental services?]
- Timing, quantity, location and technology of appropriation
- Who is obliged to maintain resource base (for product or flow of environmental service)
- How appropriation and obligation activities are monitored & enforced
- How conflicts over appropriation and obligation activities are resolved
- How rules will change over time



Payments for Env. Services: ? in Allocating Property Rights

- Cultural perceptions, traditions
- Equity (Amazon example)
- Ease of monitoring, transparency
- Avoiding perverse incentives
- Actors' capacity to manage the resource for environmental services
- Institutional capacity to manage conflict
- Size of potential payments
- Others.....?