

## Summary of Ecosystem Services Talking Points for Community Leaders

### A review of key concepts related to payments for ecosystem services

*Resource for community trainers*

What are ecosystem services?

- Ecosystems are the combined interactions of: biological/ living components of the environment and physical/ non-living components of the environment. (*plants, animals, micro-organisms interacting with water, air, soil*)
- Ecosystems in Uganda include: savannahs, forests, wetlands, lakes, agriculture
- Ecosystem services are the benefits received by humans, which are generated by nature
- Examples of ecosystem services: air quality, soil fertility, watershed protection, carbon storage
- The human strain on terrestrial, marine, and freshwater ecosystems is causing their life supporting services to be threatened
- Ecosystems are very valuable, some estimate they deliver more than \$33 trillion per year
- Ecosystem services which are stressed in Uganda: maintenance of biodiversity, food and fibre provision, water supply and purification, fuel provision

Why are ecosystem services important to Ugandans?

- Uganda's land area: 35% farmland, 21% grassland, 20% forests/ woodlands, 15% water bodies, 6% bushland, 3% commercial areas
- Ecosystems provide diverse services which are ecologically, socially, and economically critical to Uganda
  - o 90% of energy consumed in Uganda is natural/ biomass (woodlands, forest)
  - o Over 80% of the population in Uganda depends on subsistence agriculture for their livelihoods, these are mainly poor and/ or rural communities
  - o Ugandan GDP attributable to ecosystem services approximately 550 million USD
- Destruction of these services is on the rise – about 30% of tropical high forest is now degraded, 80,000 hectares are being lost annually
- MESSAGE: Environmental degradation leads to loss of ecosystems and their services, which negatively impacts individuals and society. Interventions which support the protection of ecosystem services and sustainable development are necessary. PES is one such intervention.

What are Payments for Ecosystem Services?

- Nature provides these services for free, and currently we are consuming more than we are conserving
- A Payment for Ecosystem Services scheme is:
  - o A voluntary transaction in which a well-defined ecosystem service
  - o Is bought by at least one buyer from a minimum of one provider
  - o If and only if the provider continues to supply that service
- Payments can be made in the following categories of ecosystem services: biodiversity, water, carbon

- Who pays: government, private buyers, philanthropic buyers, buyers of eco-certified products
- Who receives: landowners, private agencies, farmers and farmer cooperatives, municipalities, government agencies
- There are opportunities to benefit from PES such as increased income, knowledge, ecosystem resilience, and productivity. There are risks related to performance, opportunity costs, loss of employment, confusion over rights, and loss of decision making capacity.

#### How are PES agreements structured?

- A PES agreement is a form of business plan. It is a formal statement of: business goals, reasons why they are attainable, the plan to reach these goals. An understanding between parties to follow a specific course of conduct/ actions.
- Key Contents of a Contract
  - o Date
  - o Buyer and seller details
  - o Agreed activities and obligations for both parties
  - o Payment conditions
  - o Verifications
  - o Dispute resolution
  - o Termination
  - o Variation
  - o Risk and Uncertainty
  - o Signatories
  - o Schedules
- Ideally, contracts have clear conditions and commitments. They should reflect a fair and equitable payment structure and define the services and goods to be traded.

#### How can PES projects be monitored and evaluated?

- A monitoring and evaluation plan is a flexible guide to documenting project activities, analysis success and challenges, tracking progress towards goals and objectives. It explains project methodologies, implementation plans, and expected results.
- It should be flexible and monitored over time. Goals and objectives should be very clear.
- What to monitor and how to evaluate?
  - o Relevant to the project goal
  - o Measurable impacts
  - o Reflect effectiveness and efficiency
  - o Reflect cause and effect relationships in the ecosystem
- M&E requires technical skills and financial support. There is no single way to M&E.
- Key considerations:
  - o Monitoring sites/ sample plots
  - o Measurement procedures
  - o Data management

What land use practices can bring ecosystem services AND increase production?

- Agriculture has impacts on the environment. In Uganda, uncontrolled expansion of agricultural land leading to the erosion of soils and a decline in their fertility, in addition to reduced quality and availability of water.
- Practices:
  - o Protection of river banks, nature based enterprises, create alternatives to habitat degradation, soil and water conservation, agro-forestry, conserving river line vegetation, conservation of wetlands, conservation of natural forests
- Land management practices deliver:
  - o Reduced emissions for deforestation and degradation (REDD), afforestation/ reforestation, carbon storage, ecosystem service benefits

What are community rights related to PES? What are the best practices related to social principles?

- Free Prior and Informed Consent: understanding a project's implication before making a decision
- Several international environmental standards require stakeholder engagement to minimize risks of participation for communities in PES markets.
- It is important to pay attention to gender and equity issues.