An Ecosystem Services Oriented Definition for Benefit-Sharing Mechanisms in Watersheds

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Key Message
The AN2 team has identified a problem that emerges consistently across most of its selected basins: community dissatisfaction (to varying degrees) with the uneven distribution of water-related Ecosystem Service benefits. Resolution of these conflicts must involve almost all watershed actors, since they typically implicate not only the beneficiaries of ES but also those excluded from such ES-derived benefits. By introducing a BSM in such scenarios it may be possible to not only reduce conflicts but more importantly address the conflict roots, i.e. secure ongoing funding for protecting ES providing areas and facilitate the more equitable sharing of ES benefits for actors across the watershed.

Summary
The benefits provided by hydrological ecosystem services have been increasingly acknowledged over the last decade. Many attempts have been made to explicitly include this recognition in markets, using schemes known as Payments for Hydrological Ecosystem Services (PHES).
Most of the earliest PHES initiatives were in Latin America. Hence, the region boasts the most evolved body of experience to draw from and continues to see the evolution of different forms of PHES.

For example “pure” PES concepts require the condition of “additionality” in the provision of ES; therefore watersheds which provide satisfactory levels of ES are not considered to need a PES in its pure form. However, in these or other watersheds where ecosystem services (ES) benefits are unevenly divided between providers and beneficiaries, the broader ‘benefits sharing mechanism’ (BSM) is considered a more useful measure for avoiding water-related conflicts.

In situations where inequity is an issue, cooperative schemes may go beyond “pure” PHES to include rewards for the currently provided ES. Thus, the AN2 project defines ES-related BSMs as: those agreements among watershed actors which aim to convert situations of uneven ES gains into opportunities to improve the distribution of benefits to all stakeholders, with a view to improving equity and providing incentives for the long-term protection of ES.

The presentation will outline this concept and the research from which it was identified as the most appropriate for the given sites. Essentially this research comprised meetings and consultations with watershed actors in AN2 project’s study sites about their motivations for engaging in PES-type schemes (motivation that has existed prior to project implementation).

The presentation will then briefly contrast this approach against the classic definition of PES, highlighting the main differences. It will also cover how these potential BSM (as per the project’s definition) will serve to meet objectives beyond ecosystem conservation, such as those of equity and poverty in the watersheds. The presentation will finally identify the conditions that render each selected watershed site appropriate for implementing a BSM-scheme.