

FRIDAY 19 JUNE 2015 - PARIS

# GOVERNING BIODIVERSITY AND ECOSYSTEM SERVICES THROUGH MARKET-BASED INSTRUMENTS?

THEORY AND PRACTICE FOR DECISION-MAKERS

**PUBLIC CONFERENCE**

La Resserre,  
Cité internationale universitaire de Paris,  
17, boulevard Jourdan,  
75014 Paris, France

# Conference objectives

This conference intends to engage all stakeholders to discuss the design, potential advantages and risks of market-based instruments for biodiversity conservation.

**TAKING STOCK**, the conference will discuss discourses around such policy instruments, the stakeholders and governance mechanisms involved, the resulting environmental and socioeconomic impacts, as well as behaviors and motivations of participants in such schemes. Results will be drawn from a wide range of case studies in payments for environmental services (Mexico, Costa-Rica, Cambodia, Indonesia), agri-environmental measures (Germany, Belgium) and biodiversity offsets (Germany, France).

**GOING AHEAD**, the conference will discuss enabling conditions, potential institutional architecture, as well as environmental and social safeguards that could be designed to guarantee the equitable, fair and efficient implementation of such policy instruments. Building on science policy interfaces, this will allow participants to discuss better integration of regulation, law, and knowledge into policy formulation and implementation.

**The conference will promote the dissemination of policy-relevant research results and messages**, which are to be debated and confronted to reality checks and alternative experiences through large stakeholder engagement and open discussions.

## Context and rationale

Biodiversity and key ecosystem services have been progressively eroded and degraded over the past 50 years, generating socio-economic costs and threatening human well-being.

This calls for urgent action. Parties to the Convention on Biological Diversity (CBD) recently agreed on implementing the Strategic Plan for Biodiversity 2011-2020 and the associated twenty Aichi biodiversity Targets. While progress towards the achievement of such targets by 2020 has been so far quite limited, Parties are strongly invited to further increase both domestic and international financial flows to fund biodiversity and ecosystem services conservation. In a context of stagnating public funding and Official Development Assistance, the design and use of Innovative Financial Mechanisms (IFMs), including economic and market-based instruments (MBIs), is thus alleged to both incentivize and finance biodiversity efficiently.

Among other policy tools, payments for environmental services and biodiversity offsets are globally praised for their potential contribution.

Such a call for implementing MBIs in both developing and developed countries is nevertheless not without controversies and debates. Whereas proponents argue that economic instruments can lead to environmental effectiveness and better resource allocation, opponents emphasize risks of managing biodiversity and ecosystem services through market transactions: financialisation of nature as well as ethical and equity issues.

In 2015, when Sustainable Development Goals as well as commitments towards the Climate Conference in Paris (COP21-UNFCCC) are being discussed, biodiversity conservation and sustainable use ought to be fully included within negotiations as part of the solution. In this regard,

decisions-makers, practitioners and civil society, among others, need to thoroughly design and agree on biodiversity policy instruments based on sound research and the engagement of all stakeholders.

► **Building on results from the INVALUABLE research project, funded by the EU's ERA-NET BiodivERsA programme**, this one-day conference aims at contributing to such debates by confronting academic research to practitioners' experiences, policy makers' views and needs and all other interested actors from civil society.







14.30-16.00

### SESSION 3

## ENGAGING WITH POLICYMAKERS ON MARKET-BASED INSTRUMENTS: DECISION SUPPORT TOOLS, KNOWLEDGE AND THE LAW

by **Charles-Hubert Born**, Université Catholique de Louvain, and **Arnoldt Bregt**, Wageningen University

Session chaired by **Sébastien Treyer**, Iddri

This session aims at proposing thoughts and tools to help and support policymakers and practitioners when these are willing to conceive, design and implement market-based instruments for biodiversity and ecosystem services. Building on the INVALUABLE assessment of science-policy interfaces, the integration of knowledge for designing instruments within policy arenas will be discussed. Participants will discuss and debate ways knowledge and tools can and should legally or voluntarily be integrated in decision-making processes so that policy instruments for biodiversity and environmental services may be better implemented and scaled up.

➤ After INVALUABLE results are presented, panelists will discuss ways forward for a better integration of science and knowledge in policy design and implementation.

#### PANEL DISCUSSION

**Philippe Puydarrieux**, French Ministry of Ecology, Sustainable Development and Energy

**Strahil Christov**, Directorate-General for the Environment, Unit Biodiversity, European Commission

**Sabine Reinecke**, Albert-Ludwigs-University of Freiburg

**Adélie Pomade**, Université Catholique de Louvain

#### DISCUSSION WITH THE FLOOR

16.00-16.15

### CLOSING SESSION

## NEXT STEPS FOR RESEARCH ON MBIs AND SCIENCE-POLICY INTERFACE

By **Xavier Leroux**, BiodivERsA Coordinator

16.15-17.30 ➡ CLOSING COCKTAIL

## The INVALUABLE project

The project intends to clarify the potential of market-based instruments (MBIs) to better integrate biodiversity & ecosystem services (B&ES) into society, based on appropriate institutional arrangements for relevant public policies and an improved utilisation of economic valuation approaches. Three main interconnected issues are analysed. First, the project elaborates a comprehensive theoretical framework in order to define and characterise MBIs for the management of B&ES, and conduct an analysis of the notion of market-based approaches to B&ES with a focus on institutions and discourses. Second, it seeks to assess impacts from some of these MBIs, in particular biodiversity offsets and payments for ecosystem services, drawing comparative lessons across several case studies in developing, transition and developed countries. Finally, the project builds on existing Science Policy Interface (SPI), decision support system tools (DSS) as well as legal analysis so as to formulate options to better integrate relevant knowledge and policy in the field of MBIs for B&ES. The INVALUABLE Project is a network of 9 European partners coordinated by IDDRI.

