

## **Informal summary**

### **High-level Segment 2008 Economic and Social Council**

#### **Annual Ministerial Review Roundtable Panel discussion on “The role of ecosystem services in sustainable development”**

**UNHQ, New York, 2 July 2008**

- Chair:** **Mr. Jean-Marc Hoscheit**, Vice-President of ECOSOC
- Panelists:** **Mr. Jorge Mario Rodriguez**, Director, National Forestry Financing Fund, Costa Rica;  
**Mr. Ahmed Djoghlaif**, Executive Secretary, Convention on Biological Diversity;  
**Mr. Hillary Masundire**, Chair, Commission on Ecosystem Management, the World Conservation Union (IUCN);  
**Mr. Dane Gobin**, Chief Executive Officer, Iwokrama International Centre for Rainforest Conservation and Development, Guyana;  
**Mr. Magnus Ngoile**, Director General, National Environment Management Council, Tanzania.
- Lead Discussant:** **Ms. Anna Tibaijuka**, Executive Director, UN-HABITAT.
- Moderator:** **Mr. Achim Steiner**, Executive Director, UNEP.

The panel discussion on “The role of ecosystem services in sustainable development” was held on 2 July 2008 under the chairmanship of **Mr. Jean-Marc Hoscheit**, Vice-President of ECOSOC. Following the opening remarks by **Mr. Hoscheit**, **Mr. Achim Steiner**, who moderated the roundtable, focused in his short introduction on the evolution of the concept of ecosystem services. Over the last twenty years it has been increasingly recognized that ecosystem services are finite and that there is a link between ecosystem services and human development. The landmark Millennium Ecosystem Assessment Report (MEA) has also demonstrated that ecosystem conservation makes economic sense. The report also showed that there is a need to rethink the three pillar concept of sustainable development as it becomes clear that the sustainable use of ecosystems is a cross-cutting issue which is a precondition for long term economic and social development. He said that the panelists will give an overview of the evolution of the concept as well as specific examples of how countries have mainstream the conservation of ecosystem services in their national policies, in particular through the use of payment for ecosystem services.

**Mr. Ahmed Djoghlaif** noted that natural disasters, climate change, the food crisis and the surge in fuel prices, which the United Nations Secretary-General recently identified as top priority issues, were all closely linked to biodiversity. With the rate of biodiversity loss estimated to be up to 100 times the natural extinction rate, he stressed the urgent need to make headway towards the goal to significantly reduce the loss of biodiversity by 2010. Citing several recent measures, he said that Germany, with the support of the European Commission, launched “the Economics of Ecosystem and Biodiversity” study

to undertake a comprehensive economic valuation of global ecosystem services. He also noted that the Parties of the CBD, two years ago in Curitiba took a decision on the application of valuation tools and that in June 2008 the Parties decided to put more emphasis on further studies on payments for ecosystem services at the local, regional and international levels. He also highlighted that in partnership with France and Germany, a major initiative was launched on biodiversity for development and poverty alleviation. To promote a UN-system-wide contribution to the 2010 International Year of Biodiversity celebrations, he said that the Parties had recommended that one day of high-level meeting during the 65<sup>th</sup> session of the General Assembly in September 2010 be devoted to biodiversity. He also said that he hoped that ECOSOC would make a contribution to the 2010 celebrations, including through the 2010 Development Cooperation Forum.

**Mr. Hillary Masundire** started his presentation with defining the ecosystem approach as a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way. He then applied the ecosystem approach to integrated water resources management (IWRM). While supporting IWRM as a useful implementation tool to introduce an ecosystem approach to water management, he noted that IWRM was too water specific and said a more holistic ecosystem approach, which could serve as a planning tool for all sectors, was needed. On a more abstract level, sustainable development should no longer be thought about in terms of three pillars, with an environmental pillar that needed strengthening, but instead, environmental sustainability should be seen as a precondition, without which economic and social progress cannot be sustained in the long run. He stressed that there was an urgent need to mainstream the ecosystem approach.

The presentation of **Mr. Magnus Ngoile** focused on the role of ecosystem in providing services to coastal states in Sub-Saharan Africa. At the moment, the ecosystem services are undervalued and therefore overexploited. Today, of the 7.8 million tonnes of fish estimated to be potential in Sub-Saharan coastal waters only 3.7 million tonnes are harvested by the African coastal states, the rest being harvested by distant water fishing fleet. To address this issue, he suggested that, at the international level, the African Union should put the issue of payment for ecosystem services on its agenda. He also suggested that communities should be allowed to formulate their own vision of sustainable development, striking the balance between societal needs and ecosystem services, which should form the basis for national, regional and global supportive action. He further called for putting into place sustainable financing mechanisms that are supported by national policies and legal policies as well as the international community and in this regard cited Tanzania's marine legacy fund and the Eastern Arc Mountains Conservation Endowment Fund.

**Mr. Jorge Mario Rodriguez** stated that effective legislation and accompanying measures not only helped Costa Rica reverse the deforestation process over the past 25 years, but also resulted in related benefits such as protection of biological diversity, protection of watersheds, protection of the soil and reduction in CO<sub>2</sub> emissions. The programme on Payment of Environmental Services (PES) has played a major role in the protection and maintenance of the natural forests. The PES programme in Costa Rica is

based on four dimensions: institutional, financing, policy base and monetary evaluation, which provide transparency, a clear definition on who pays for and who receives the benefits of ecosystem services. The active engagement of farmers has helped to promote rural development and the sustainable management of forests. The introduction of PES has therefore helped not only in achieving MDG 7 but also in achieving other MDGs. He said that the example of Costa Rica demonstrated that the PES should be seen as an investment not an expense in the national budget.

**Mr. Dane Gobin** presented the Iwokrama project in Guyana, which aims to promote the conservation and sustainable and equitable use of tropical rain forests in a manner that will lead to lasting ecological, economic and social benefits. The sustainable use of the forest, as well as new activities, such as ecotourism, has increased local income. The main benefits are reduction of deforestation rates and mitigation of climate change and direct economic benefits to local people. The major challenges for the project was to get financial support. As an already protected area, Iwokrama did not qualify as an emissions-based arrangement. The challenge for the project was to get people and countries to pay for ecosystem services, to convince owners to introduce alternative revenues, to develop valuation systems for services and develop innovative financial models to help finance PES. The project used a two stage process a) identification and valuation of ecosystem services and b) commercialization and market development to demonstrate that you can use a forest without losing its ecosystem services.

**Ms. Anna Tibaijuka** said that as today the majority of the world's population is located in urban areas the ecological footprints of cities is continuously growing. However, technology and innovation can help cities to become sustainable. She called upon the international community to move away from current chaotic urbanization to sustainable urbanization. She said that the role of communities and authorities is very important for this transformation to happen as well as proper land tenure and property. She said that future cities should be based on the principle of human ecology which takes into consideration both the needs of humans and the environment.

#### **Interactive debate with panelists**

Stressing the precarious state of many of the world's ecosystems, the **European Union** reported that it had adopted a 2006 Plan of Action. Measures to implement the plan included: continued efforts to protect the marine resources, studying of new financing models, including innovative financing mechanisms, active participation in the establishment of a network for science and technology and establishment of an intergovernmental platform on the issue by UNEP. With reference to the presentation of Mr. Masundire, **Israel** inquired about the right balance between central overview and decentralized management of water, if water is seen as a national asset. He also noted that in addition to better water management the possibility of water treatment also needed to be explored further. **Brazil** recalled that there was no single agreed ecosystem approach and that today the ecosystem approach was mainly used in the area of fisheries. **Indonesia** asked whether there were any potential economic benefits of the ecosystem approach which could help in promoting the mainstreaming of the approach into national policies. The **Civil Society Stakeholder Forum** expressed concerns that the ecosystem

approach in the area of fisheries did not sufficiently take into consideration the gender dimension. **UNESCO** said that the value of education was underrated in most environmental projects and called the inclusion of indicators. Noting that cities should be considered part of nature and can contribute to ecosystems, **UNESCO** also proposed that the MEA should be followed up by an urban MEA.

In response to comments and questions from the floor, **Mr. Djoghla** informed participants about CBD's initiatives (including the 2010 Biodiversity Summit in Nagoya) which aim to include mayors in the discussion. On the role of women in biodiversity conservation, he said that Finland was holding a meeting on woman and biodiversity in 2010. He also agreed with interventions stressing the important role of science and technology, traditional knowledge and education in sustainably managing the environment. With regard to the latter, he said that CBD had established a portal for youth and that information on biodiversity protection was put on all laptops distributed through the "One child a laptop" initiative. In response to the concern expressed from the floor that women were not sufficiently involved in sustainable fishery programmes, **Mr. Ngoile** said that women were not excluded from the approaches and are often included through community based elements. Picking up on the issue of CO<sub>2</sub> emissions, **Mr. Rodriguez** said that commercialization of environmental services was not enough, and that Costa Rica intended to invest in Clean Development Mechanism projects and environmental services. Regarding the economic attractiveness of the ecosystem approach, he said that the example of Costa Rica demonstrated that PES can have an important role in supporting indigenous communities. **Mr. Gobin** also said that the Iwokrama project demonstrated that ecosystem approaches can work, though PES was not an alternative to forest management. In his concluding remark, **Mr. Masundire**, who took over the role of moderator for the second half of the session, said that the ecosystem approach might sound straight forward but was complex to implement in practice. At the same time he said that the positive examples of Tanzania, Costa Rica and Guyana demonstrated that PES can work in different sectors and under very different circumstances and that Member States should feel encouraged to push ahead with the implementation of an ecosystem approach across all sectors.