COLOMBIA – NATIONAL PROGRAM

ACCOUNTING FOR ECOSYSTEM SERVICES- COLOMBIAN PILOT STUDY

WAVES Global Partnership Meeting 2-4 April 2012

CESAR AUGUSTO RUIZ AGUDELO
CI – COLOMBIA









OUR A ECON



Hacia una

conomía verde

Guía para el desarrollo sostenible y la erradicación de la pobreza

> Síntesis para los encargados de la formulación de políticas

an well-being and and ecological

EEN

one which is low

and employment n emissions and ent the loss of

ublic expenditure,

ry<u>, rebuild natural</u> specially for poor

What is the

Definition of a gr social equity, scarcities.

In its simplest ex carbon, resour

Practically speaki is driven by pollution, <u>enh</u> biodiversity an

These investment policy reforms

This development capital as a cri people whose



FAVORABLE CONDITIONS FOR A TRANSITION TO GREEN ECONOMY

Nationally, some of these favorable conditions are:

Changes in National Fiscal Policy.

Reform and reduction of subsidies with adverse effects on the environment.

Use of new instruments market-based.

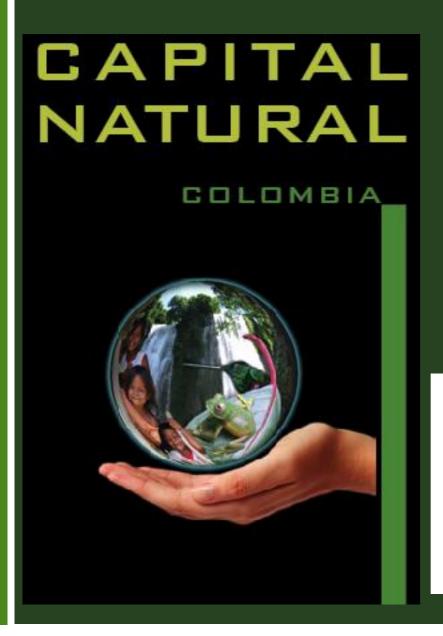
Public investment addressed to greening key sectors.

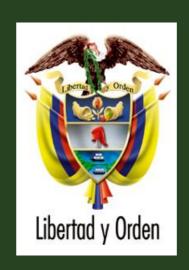
Introduction of environmental criteria in public procurement, and implementing regulations that favor the environment.

Internationally to improve market infrastructure and promote international cooperation.

ESTRATEGIA CAPITAL NATURAL COLOMBIA -COLOMBIA'S NATURAL CAPITAL STRATEGY-

https://sites.google.com/site/capitalnaturalcolom bia/iniciativa-capital-natural-colombia







Alta Consejería para la Gestión Ambiental, la Biodiversidad, Agua y Cambio Climático República de Colombia







GLOBAL AIMS:

- Understand and learn about the importance of ecosystems in the social, economic and environmental order to generate mechanisms that enable decision makers to integrate the value of Colombia's Natural Capital in the various socio-economic actions related to the country's development and the welfare of its inhabitants.
- -Conserve the country's Natural Capital and acknowledge the importance of ecosystem services in all economic and social sectors.

What is Natural Capital?

The concept of Natural Capital that was adopted in this project was based on modifications made to the definitions advanced by of Constanza & Daily (1992) and Gómez-Baggethun & de Groot (2007). It was defined as follows:

"Natural Capital is made up of an ecosystem's components (its structure) and the processes and interactions that exist between them (ecosystem function) and that determine its ecological integrity and resilience. This capital generates a constant flow of goods and services that are useful for the humankind, and can be measured in economic, environmental or social terms, looking for the sustainability of natural resources"

WHY IS THE VALUATION OF NATURAL CAPITAL IMPORTANT TO THE COUNTRY?

Studies may show a clear and undeniable relationship between ecosystems and human welfare, even when it is priced at zero.

These studies can be made in different ecosystems to determine the economic, social and environmental importance.

The relevance of economic valuation is that it provides an appropriate framework to justify or criticize a cost-benefit decision, where trade-offs in relation to a set of decision-making alternatives are to be made in a particular ecosystem.

The failure to conduct such an assessment makes an ecosystem more prone to degradation.

PHASE I: BASELINE

- 1. BUILDING A CONCEPTUAL BASE LINE
- 2. REVIEW OF EXPERIENCES IN OTHER COUNTRIES
- 3. ANALYSIS AND DESIGN FOR THE COLOMBIA CASE
- 4.METHODOLOGY FOR ECOSYSTEM SERVICES CHARACTERIZING
- 5. SOFTWARE REVIEW AND TYPE OF INFORMATION
- 6. SOCIALIZATION OF THE STRATEGY

BASE KNOWLEDGE OF TRANSFORMED ECOSYSTEMS

- Agricultural activities, mining, human settlements. etc.

BASE KNOWLEDGE OF ECOSYSTEMS -Protected areas, relatively untransformed areas

Species, ecosystems, genetic diversity

Studies in functional ecology

DESCRIPTION OF THE ECOSYSTEM SERVICE

 Understand and quantify how ecosystems provide services and their spatial expression.

> INVEST, dinamic EGO, SWAT, FIESTA, ARIES, etc.

VALUATION

 Economic valiation of ecosystem services

TOAT, OSIRIS, INVEST, ARIES, etc.

MODELLING UNDER FUTURE SCENARIOS

 Climate change and economic development.

PLANNING TOOLS

 How are ecosystem services used in landscape management.

> POT's, PMA, EOT, PGA, POMCA, land property planning

DECISION - MAKING TOOLS

 Use of ecosystem services within a stakeholder analysis.

> Stakeholder analysis, negotiation and participation tools.

PUBLIC POLICIES

 Joint, modification and / or development of policies and regulations.

FINANCING STRATEGIES

Financing sustainable use of ecosystem services.

ENVIRONMENTAL ACCOUNTING AND WELFARE INDICATORS





Untangling the Environmentalist's Paradox: Why Is Human Well-being Increasing as Ecosystem Services Degrade?

CIARA RAUDSEPP-HEARNE, GARRY D. PETERSON, MARIA TENGÖ, ELENA M. BENNETT, TIM HOLLAND, KARINA BENESSAIAH, GRAHAM K. MACDONALD, AND LAURA PFEIFER

Environmentalists have argued that ecological degradation will lead to declines in the well-being of people dependent on ecosystem services. The Millennium Ecosystem Assessment paradoxically found that human well-being has increased despite large global declines in most ecosystem services. We assess four explanations of these divergent trends: (1) We have measured well-being incorrectly; (2) well-being is dependent on food services, which are increasing, and not on other services that are declining; (3) technology has decoupled well-being from nature; (4) time lags may lead to future declines in well-being. Our findings discount the first hypothesis, but elements of the remaining three appear plausible. Although ecologists have convincingly documented ecological decline, science does not adequately understand the implications of this decline for human well-being. Untangling how human well-being has increased as ecosystem conditions decline is critical to guiding future management of ecosystem services; we propose four research areas to help achieve this goal.

Keywords: ecosystem services, human well-being, time lags, sustainability, adaptation





10.01952.x

per

tem

een-the

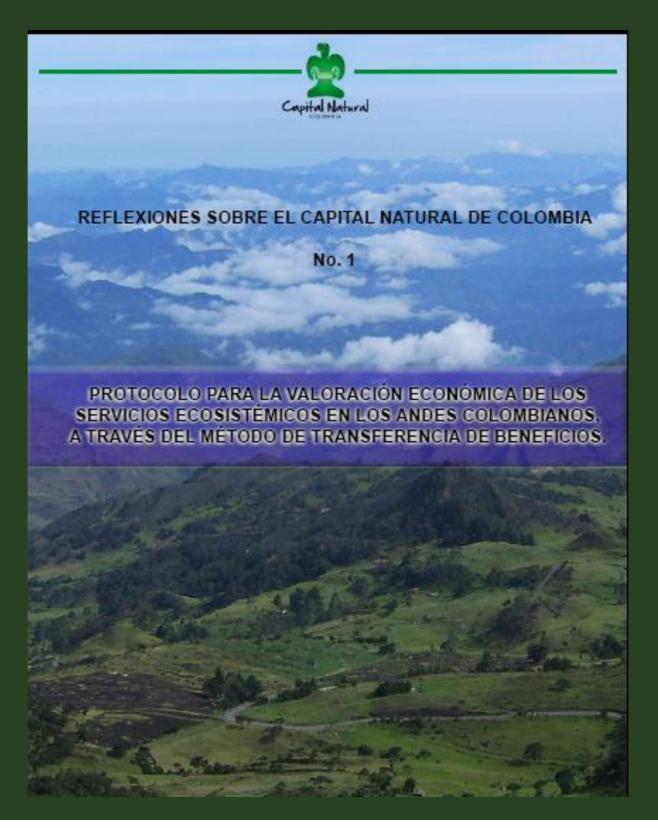
CONSTRUCTION OF THE COUNTRY BASELINE.

USE OPTIONS AND ANALYSIS OF INFORMATION AVAILABLE





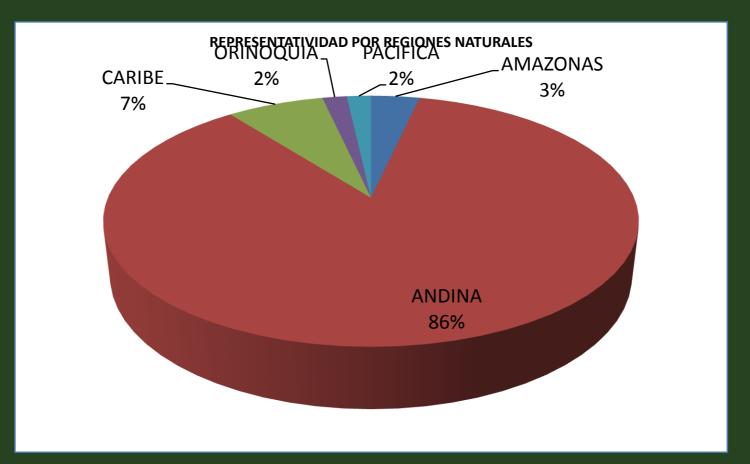
PROTOCOL USING BENEFIT TRANSFER METHOD FOR AN ECONOMIC VALUATION OF ECOSYSTEM SERVICES IN THE COLOMBIAN ANDES REGION

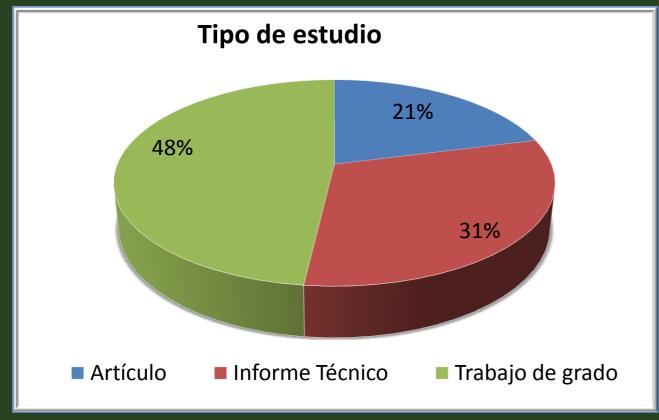


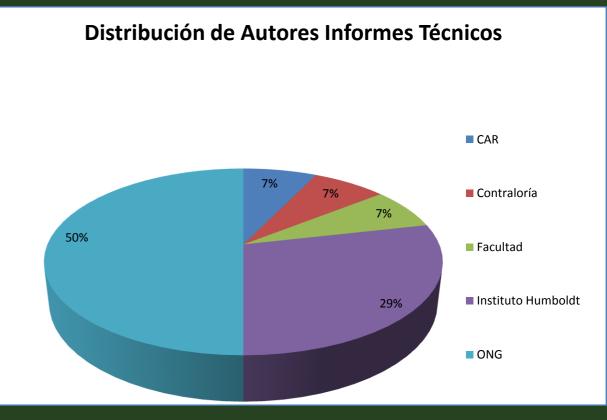


LITERATURE REVIEW

ECONOMIC VALUATION STUDIES







LITERATURE REVIEW

REPRESENTATIVIDAD DE LAS MEDIDAS **EN LOS BIOMAS DE COLOMBIA NÚMERO DE MEDIDAS** POR BIOMA

37 - 42

50 - 56 57 - 63

30 - 36

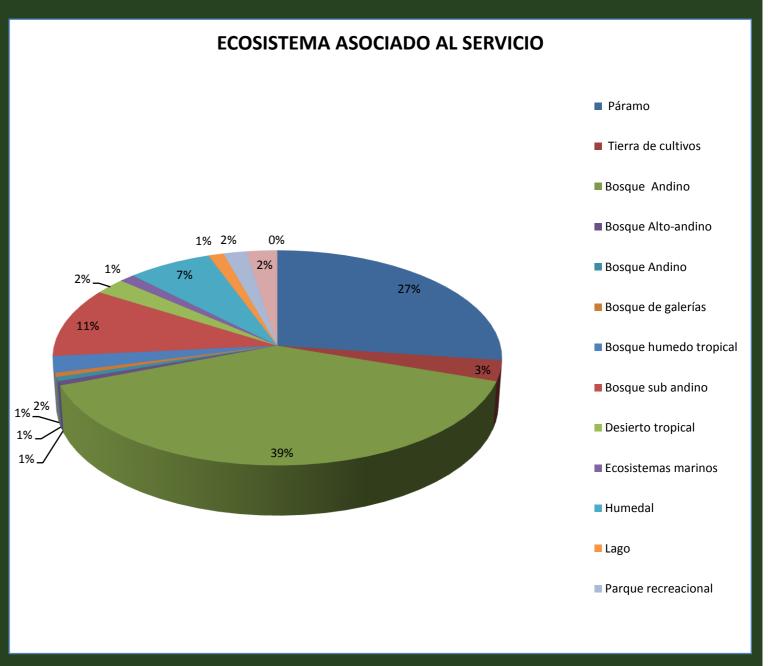
80°0'0"W

78 NATIONAL STUDIES - 169 Measures

58 STUDIES IN THE ANDES - 139 Measures

Measures

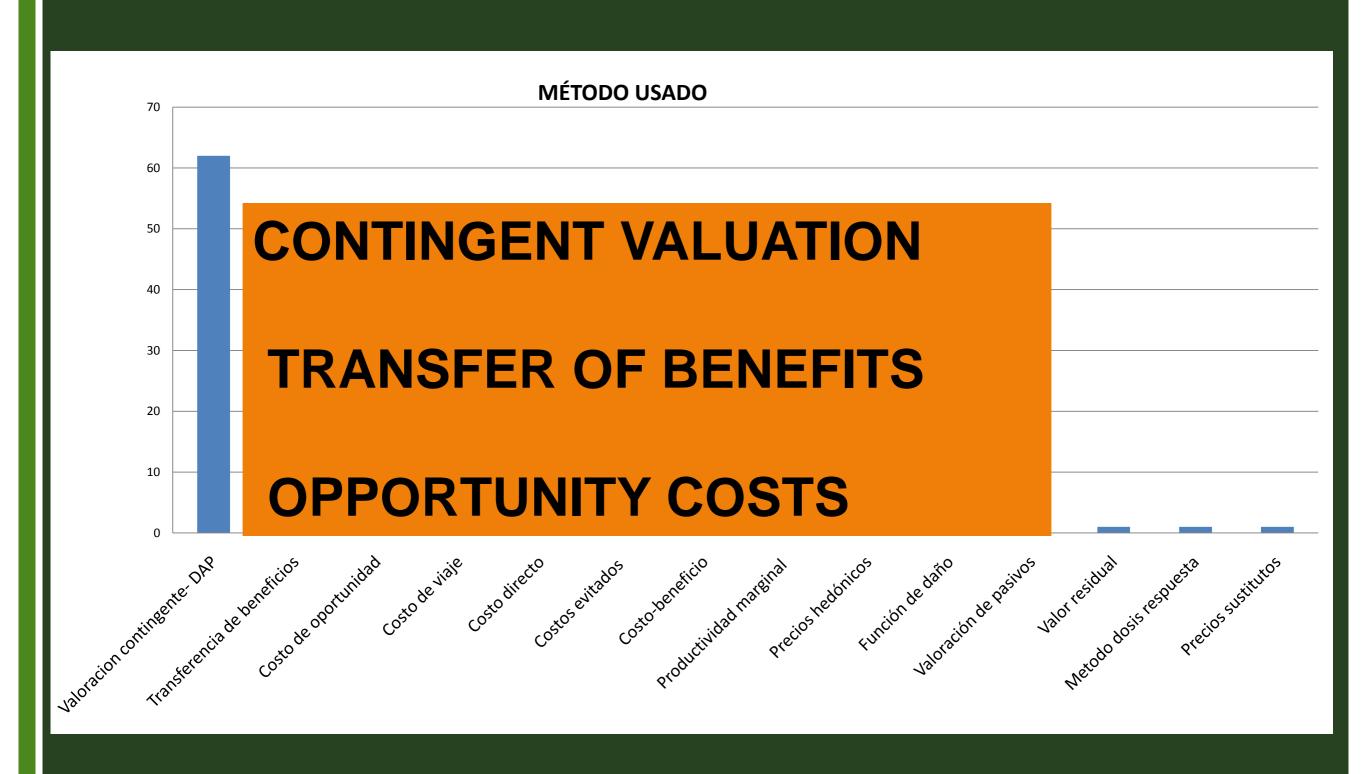
(Costo de oportunidad, DAP, costos de viaje,...)



ECOSYSTEM SERVICES VALUATED IN THE COLOMBIA BASELINE



ECONOMIC VALUATION TECHNIQUES IN THE COLOMBIA BASELINE



$$M = \frac{\sum_{i=1}^{k} Wi^{*}Yi}{\sum_{i=1}^{k} Wi} \qquad Wi = \frac{1}{V_{Yi}} \qquad V_{Yi} = V_{xi} + T^{2}$$

$$T^{2} = \frac{Q - df}{C} \qquad Q = \sum_{i=1}^{k} Wi^{*}Yi^{2} - \frac{\left(\sum_{i=1}^{k} WiYi\right)^{2}}{\sum_{i=1}^{k} Wi} \qquad df = k - 1$$

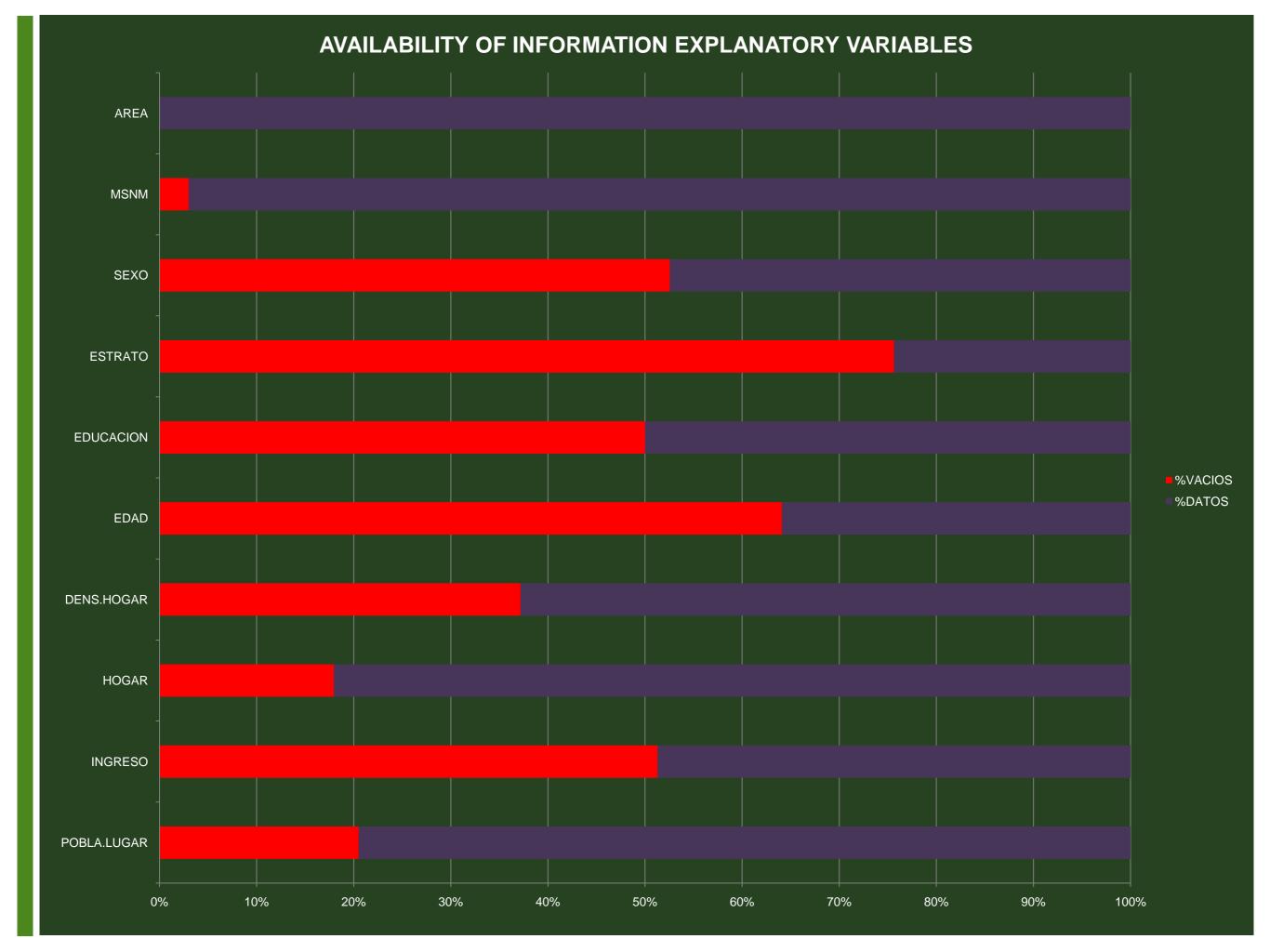
$$C = \sum Wi - \frac{\sum Wi^{2}}{\sum Wi} \qquad I^{2} = \left(\frac{Q - df}{Q}\right)x \ 100\%$$

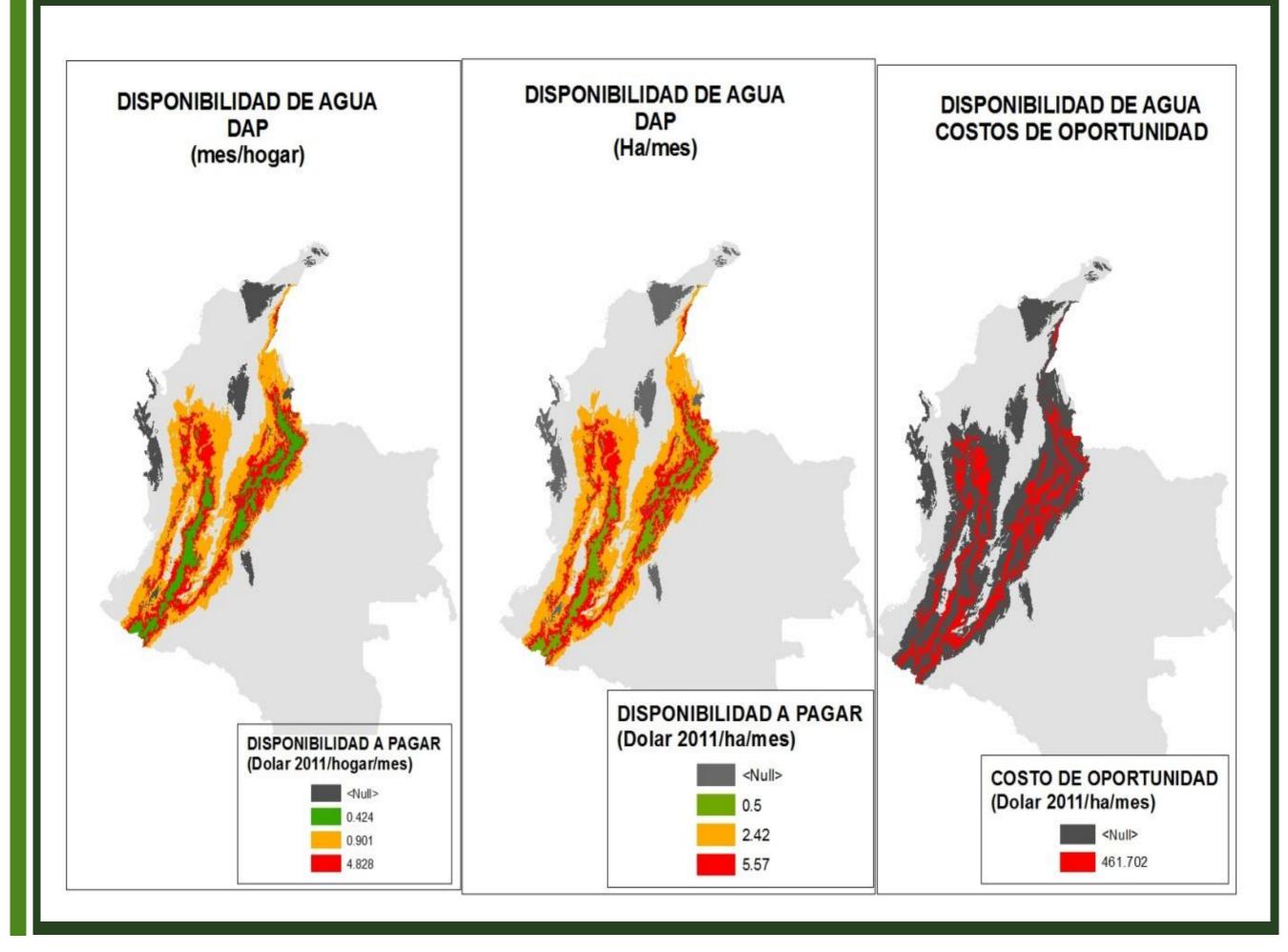
$$Vxi = .$$

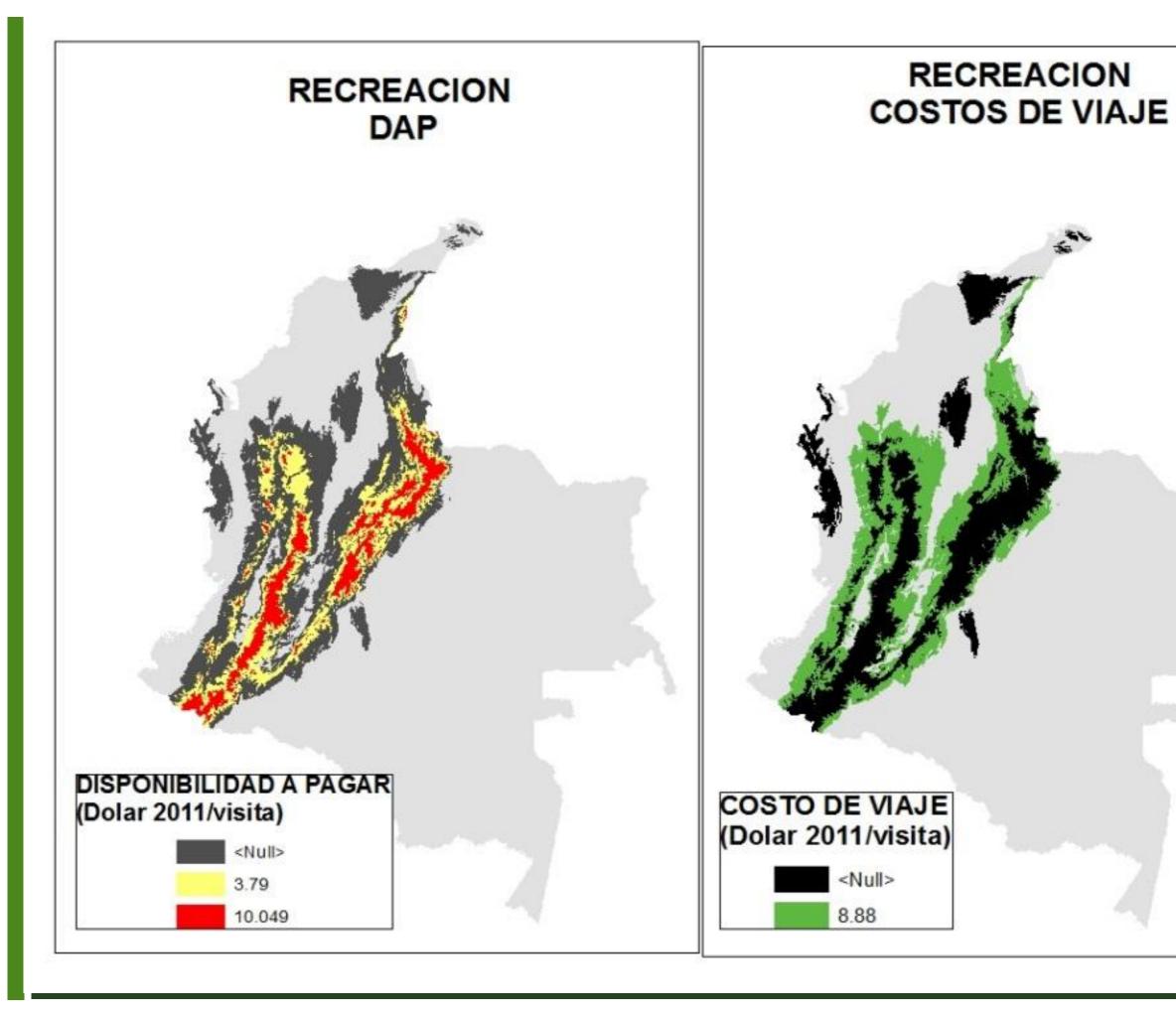
Analysis of variance for each of the studies

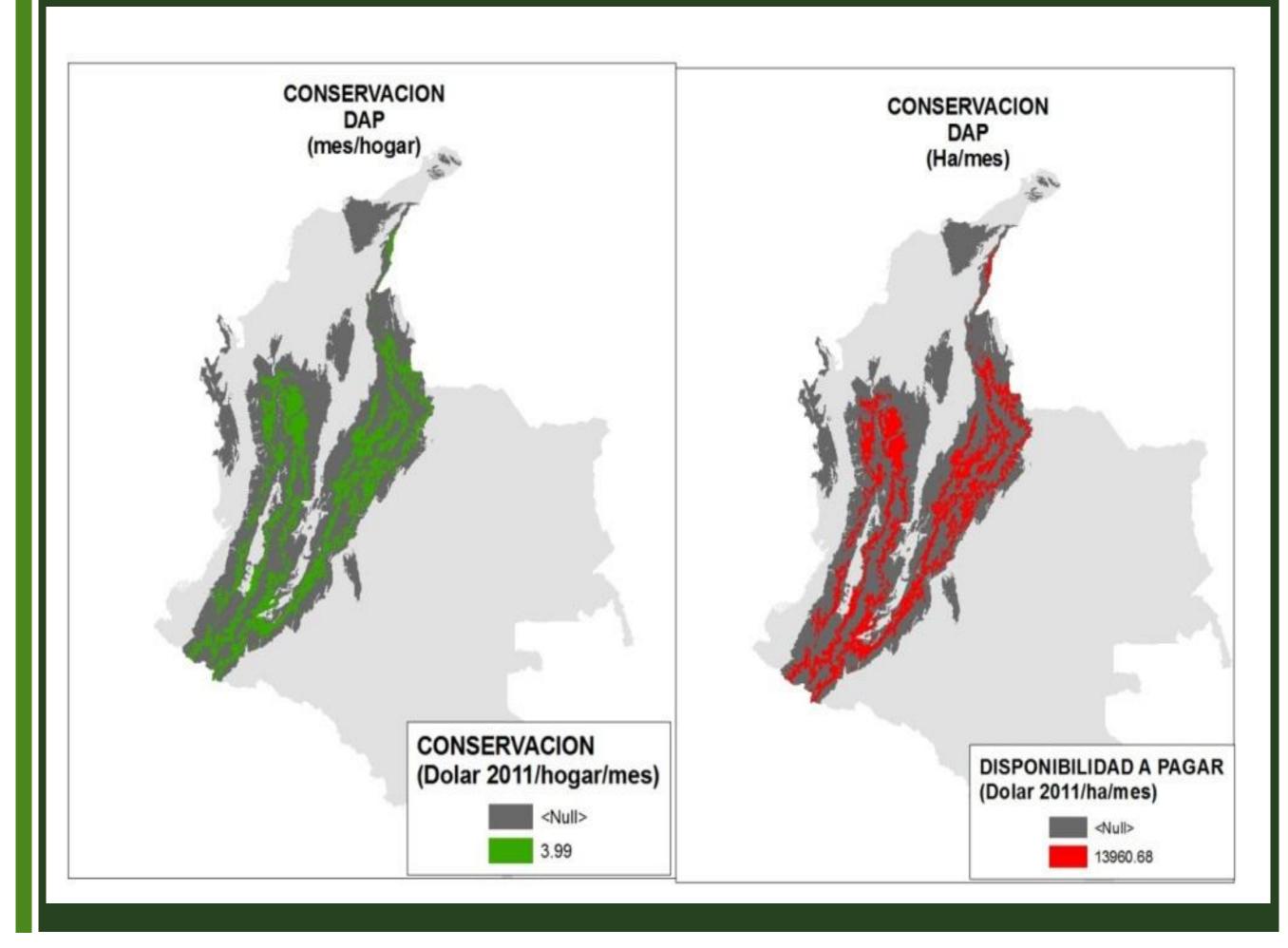
OVERALL RESULTS

- 1. The set of studies is characterized by very heterogeneous, gaps in terms of representativeness in the study area, the representativeness of valued services and the amount of information reported.
- 2. The analysis of representation in the study area, shows that of the 14 biomes of the Andes are represented only 3 biomes (high orobioma, medium and low of the Andes). These biomes represent 86% of the study area.
- 3. In the representativity of the study area departments, that 44% of departments have at least one study. In the Andean region the department with the largest number of studies is Cundinamarca, with over 30% of the studies, followed by Boyacá, Antioquia and Santander

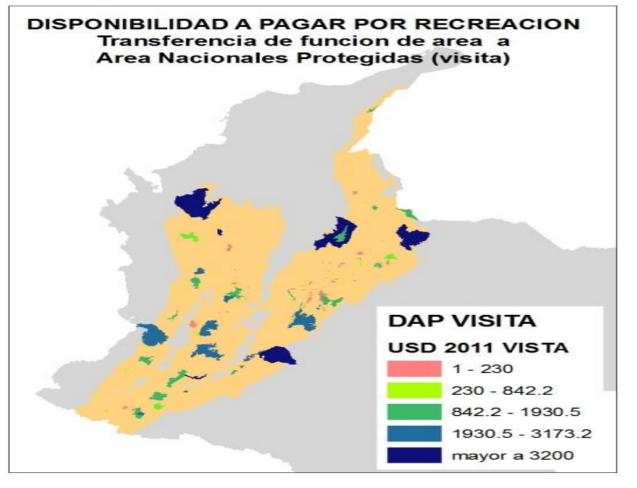


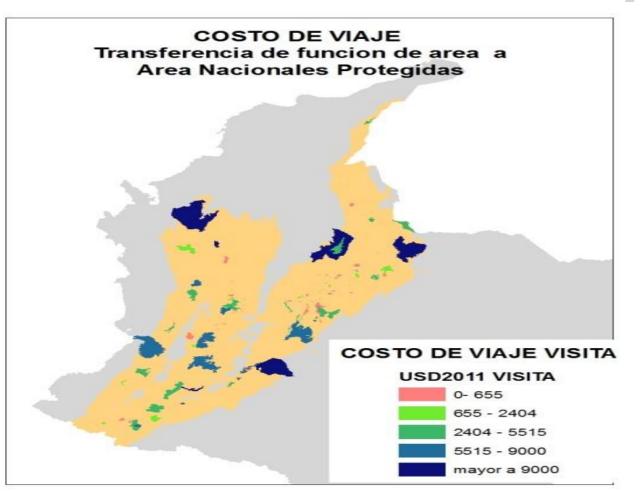


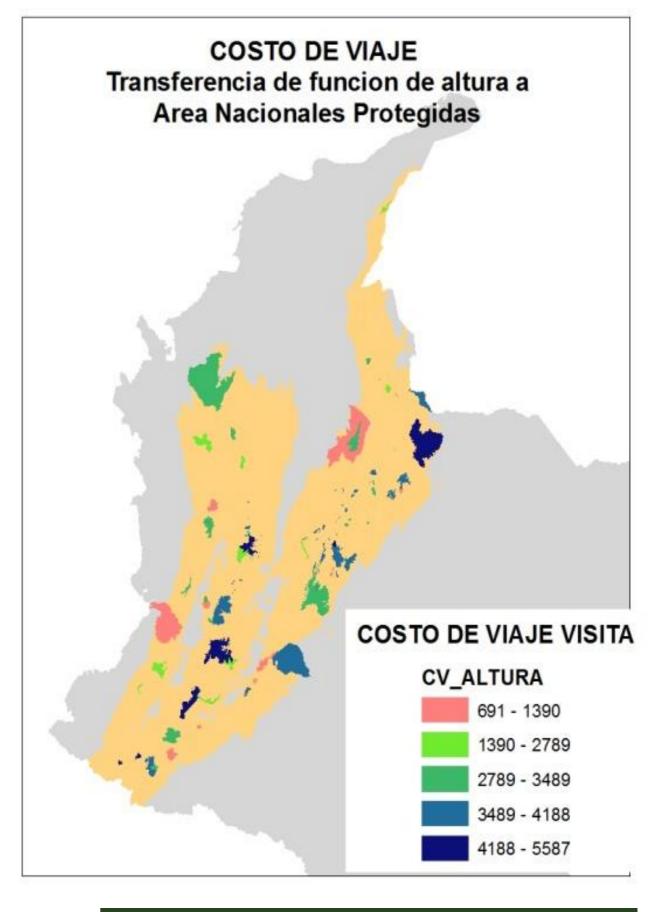




		WILLINGNESS TO PAY FOR WATER		FOR RECREATION		WILLINGNESS TO PAY FOR CONSERVATION		
OROBIOMA	Ha	Average USD 2011/ha/m es	Orobioma value USD2011	Average USD 2011/ha/m es	Orobioma value USD2011	Average USD 2011/ha/m es	Orobioma value USD2011	TOTAL ANDES OROBIOMAS
Orobioma bajo de los Andes	14,035,898	\$ 2.43	\$ 34,107,232.14					\$ 34,107,232.1
Orobioma medio de los Andes	7,566,165	\$ 5.57	\$ 42,143,539.05	\$ 3.79	\$ 28,675,765. 4	\$ 13960.68	\$105,628,808, 392.20	\$ 105,699,627,696.60
Orobioma alto de los Andes	4,178,394	\$ 0.06	\$ 250,703.64	\$10.05	\$ 41,988,681. 3			\$ 42,239,384.9
TOTAL		\$	\$ 76,501,474.83 70,664,446.7		\$105,628,808,392.20		\$ 105,775,974,313.69	







APPROACH

The total value of the ecosystems of the Andes is \$338,937,632,975.54 dollars of 2011. The major contribution is the willingness to pay for conservation, while water availability alone is \$1,190,115,047.11 USD 2011.

	TOTAL VALUE (USD 2011)		
WATER AVAILABILITY	\$	1,190,115,047.11	
CONSERVATION	\$	337,747,517,928.43	
TOTAL COLOMBIAN ANDES	\$	338,937,632,975.54	

PILOT IMPLEMENTATION

CONTINGENT VALUATION PARTICIPATIVE VALUATION





PHASE II: PILOT IMPLEMENTATION

CARIBBEAN: Guajira Department

- 1. Corpoguajira. WATERSHED MANAGEMENT
- 2. CERREJON-MPX (COMPENSATION MEASURES ENVIRONMENTAL PROJECTS)

ANDES: Conservation Corridor

1. CLIMATE CHANGE EFECTS: ADAPTATION AND MITIGATION MEASURES.

<u>AMAZON</u>

1. WATERSHED MANAGEMENT





ADVANCES IN THE FIELD MODELS













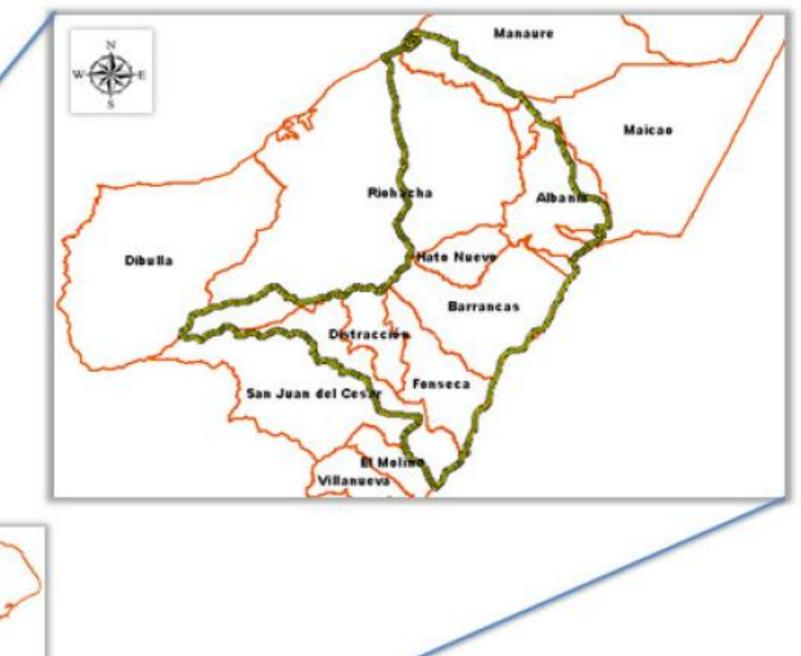


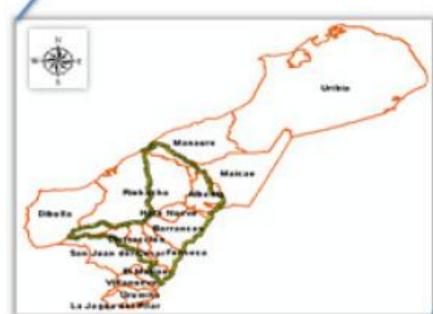


Corpoguajira



POMCA RIO RANCHERIA-COLOMBIA

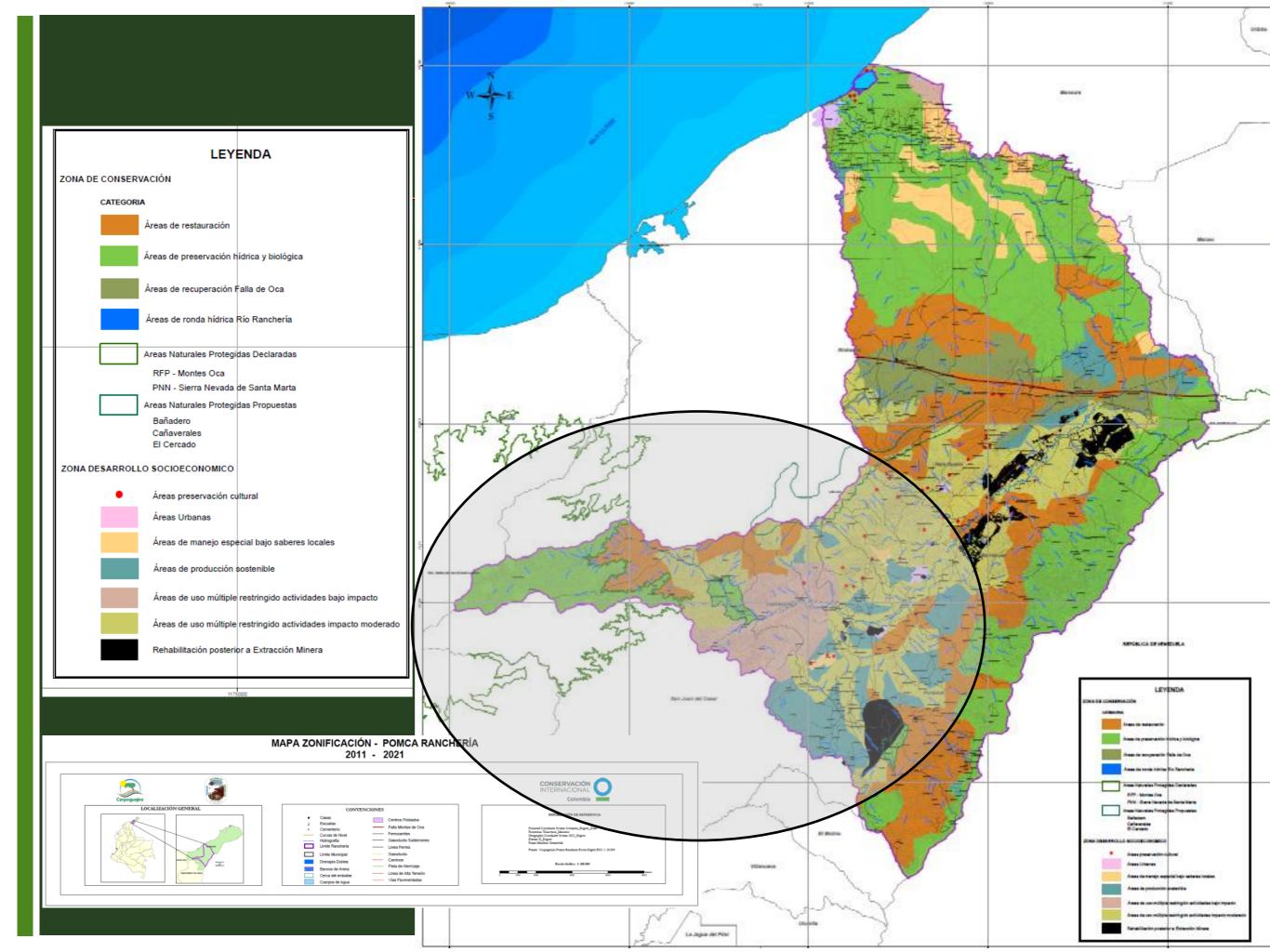






e planning territory.





PARTICIPATIVE VALUATION





PARTICIPATORY VALUATION

- 1. Participatory Valuation, is an ideal tool for sensitization and approach an estimated value of ecosystem goods and services within a region.
- 2. This can be recognized: the importance, frequency of use and valuation of the SE by the communities selected for the feasibility analysis of schemes and programs for conservation (PES-Water).

SE Rating:

Capacity Building: SE-services nature. What are they?, How are they classified?, And their relation to welfare.

WATERFALL OF THE ECOSISTEM SERVICES



ECOSYSTEMS AND BIODIVERSITY

Bosques de la Sierra Nevada de Santa Marta



FUNCTION

- Control of the flow velocity
- Water storage in the short and long term
- Environmental Filtration (pathogens, nutrients, salinity, sediment)
 Soil Stabilization



SERVICE

Water Supply (Quantity)Acceptable Water QualityReduction of flood damage

Human Welfare



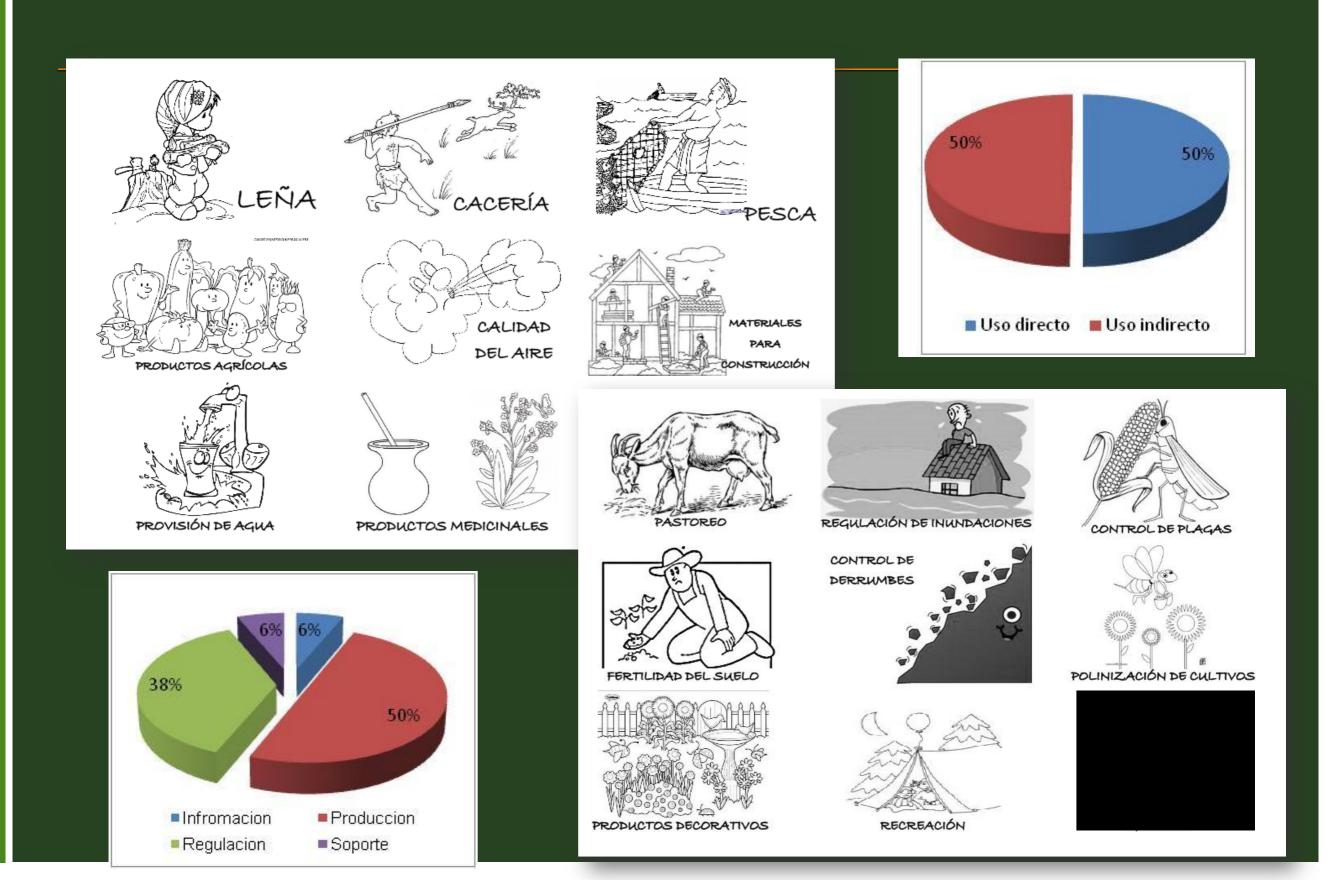
BENEFIT

Use for domestic use, irrigation of crops, activities' economic, etc.).

Capital Na.

FUENTE: Adaptado de Hannes – Young y Postching (2010)

1. VALUED ECOSYSTEM SERVICES



2. IMPORTANCE AND FREQUENCY OF USE OF THE ES

SERVICE	IMPORTANCE	FREQUENCY OF USE
Air Quality		
Water Supply		
Agricultural		
Building materials		
Grazing		
Pollination of crops		
Wood (wood)		
Soil fertility		
Medicines		
Flood Control		
Recreation and contemplation		
Slipt control		
Pest Control		
Fishing		
Hunt - wild Protein		
Ornaments, Ornamental		

importante		Frequency of Use			
Little	1	Infrequent	Α		
Average	2	Frequent	В		
High	3	Very frequent	С		

3. VALUATION

PLA Notes CD-ROM 1988-2003

1

Participatory environmental valuation of forest resources in the Aberdares, Kenya

Lucy Emerton and Hezron Mogaka

Well Reference (Hen)

Maximum seed Rating: 20

Economic value of good

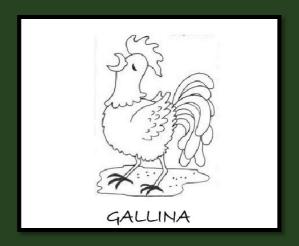
reference (ask community)



VALUATION

	VALUE	Grain equiva	FINAL	
ECOSYSTEM SERVICES	grain	(chick	VALUE	
Wood	2	2/3	0,67	20000
Hunting	1	1/3	0,33	10000
Water supply	5	5/3	1,67	50000
Agricultural products	5	5/3	1,67	50000
Air Quality	5	5/3	1,67	50000
Building Materials	4	4/3	1,33	40000
Fishing	3	3/3	1,00	30000
Medicinal products	5	5/3	1,67	50000
Grazing	5	5/3	1,67	50000
Flood control	5	5/3	1,67	50000
Soil fertility	5	5/3	1,67	50000
Control of landslides	1	1/3	0,33	10000
Pollination of crops	5	5/3	1,67	50000
Pest Control	5	5/3	1,67	50000
Recreation	4	4/3	1,33	40000
Decorative products	3	3/3	1,00	30000
CHICKEN	3			30000
Value of the grain	Fach grain	is \$10.000 (C		
		19 310,000 (C)	<i>31 j</i>	
Total value of the chicken	30000			







MEETING WITH THE AGRICULTURAL SECTOR



Water supply agricultural Air Quality Flood control



HIGHEST RATINGS: \$30.000 \$35.000







MEETING WITH COMMUNITIES

Water supply agricultural Air Quality wood

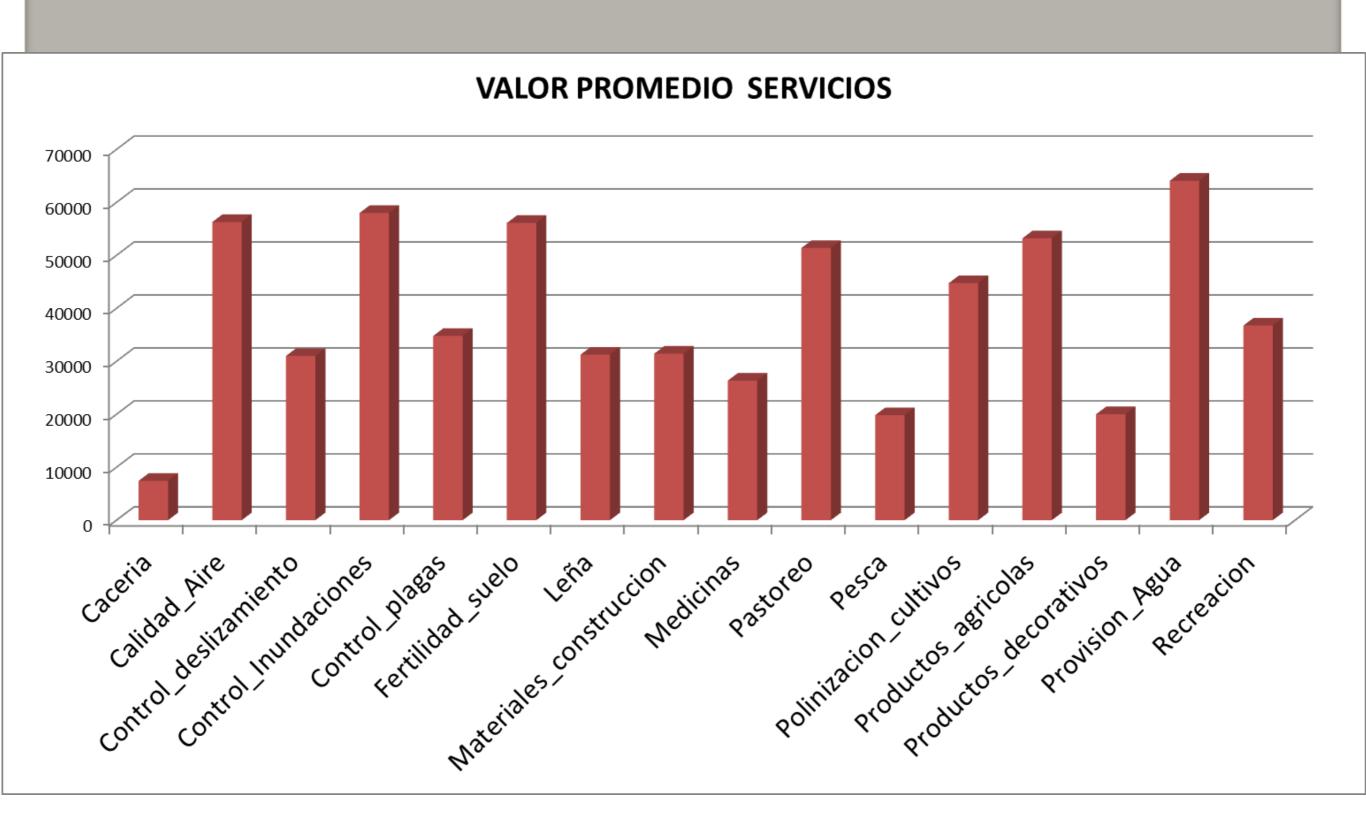






HIGHEST RATINGS: \$63.000 \$75.000





TOTAL ECONOMIC VALUE

Total Economic Value = Use Value + Not Use value

Use value is given by:

USE VALUE = VALUE USE DIRECT + VALUE USE INDIRECT.

Use value = \$268,500 + \$391,500Use value = \$660,000

ASSESSMENT OF COVERAGE

												Total
COVEREAGE	С	CP	FS		MC	PA	PD	PM	PA	R	RI	general
Bosque												
Primario	3000	33000	60000	60000	108000	60000	21000	60000	60000		120000	585000
Bosque												
Secundario			60000	120000		120000	21000					363000
Pasto					108000				60000	36000		204000
Rastrojo			120000		108000	180000						492000
Total general	3000	33000	240000	180000	324000	360000	42000	60000	120000	36000	120000	1518003

C = hunting

CP = Pest Control

FS = Soil Fertility

L = Firewood

MC = Building Materials

PA = Agricultural Products

PD = Decorative Products

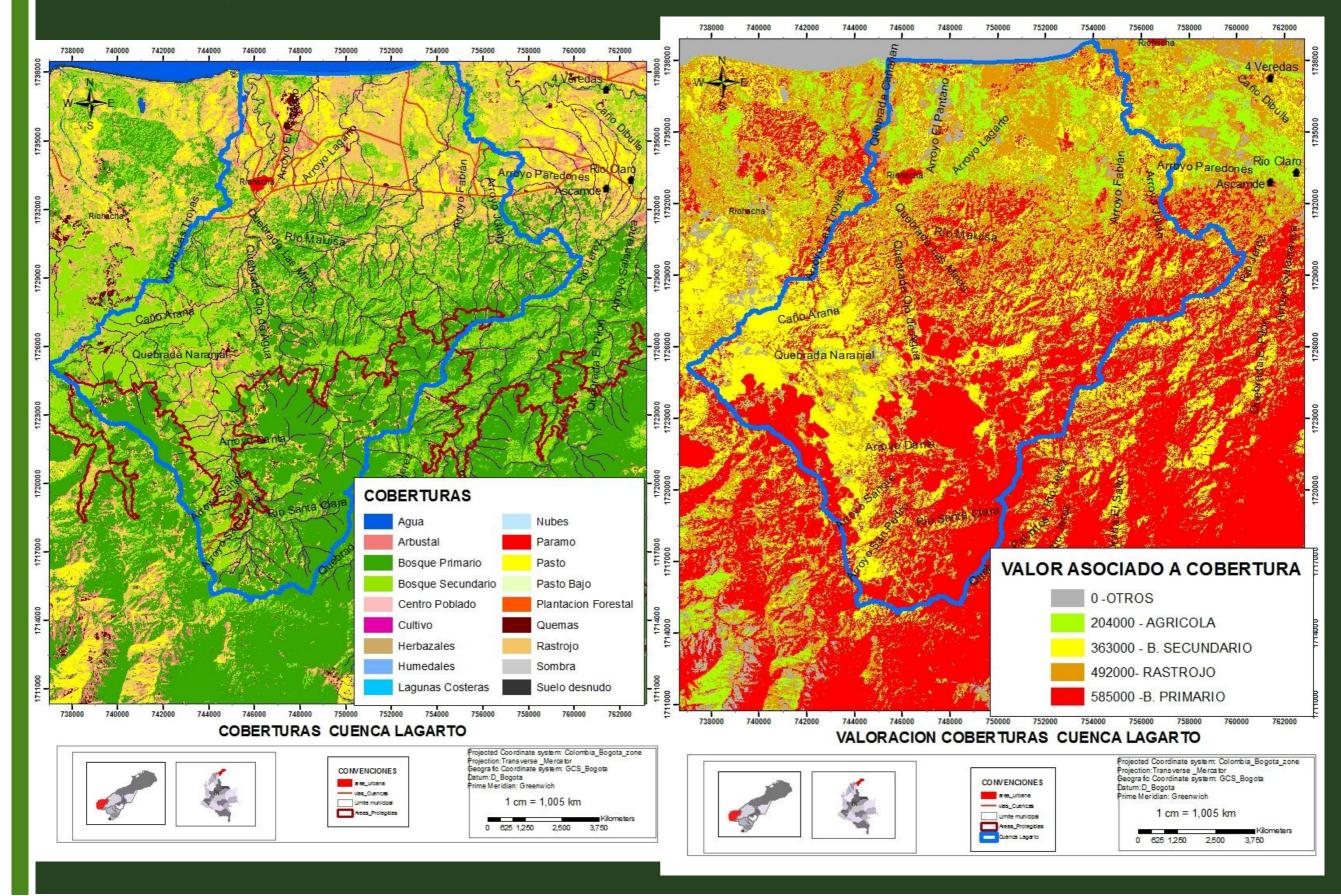
MP = Medicinal Products

PA = Water Supply

R = Recreation

RI = Adjustment of Floods

VALUE ASSOCIATED WITH COVER

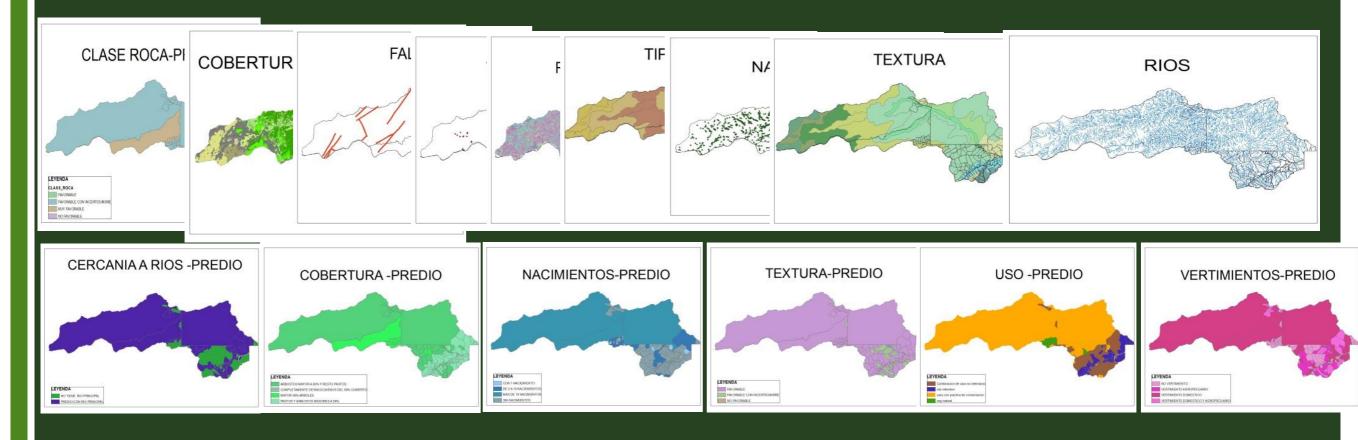


CONTENJENT VALUATION





RURAL LAND PRIORITIZATION



INDEX = 0.159COB P+ 0.159 NAC +0.127 USO+ 0.127 AGUA+ 0.079 FALLAS + 0.127 VERTI +0.063 TEX + 0.079 PEND + 0.032 MICRORELIEVE + 0.048 ROCA

INICE PRIORIZACION
PREDIAL_INDICE
INDICE
IND

2 - ECONOMIC ANALYSIS OF THE OFFER (Cost of implementation, Opportunity Cost and Cost of follow-up)

3 - ECONOMIC ANALYSIS OF DEMAND (willingness to pay and Participatory Evaluation)







Negotiations-conservation agreements (pay per ES). Establishment of payment and technical capacity of service providers.







SIGNING OF THE AGREEMENT





THANK YOU!!!!!!

THANK YOU!!!!!!

iGracias por su atención!

