



MBIs for ecosystem services in the peri urban: Between a house and a green space

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NMBIPP September 2008

Outline

- Why do we care - Peri urban and ecosystem services
- Opportunities
- Issues and futures for MBIs in the peri urban

Why do we care? - ecosystem services in the peri urban

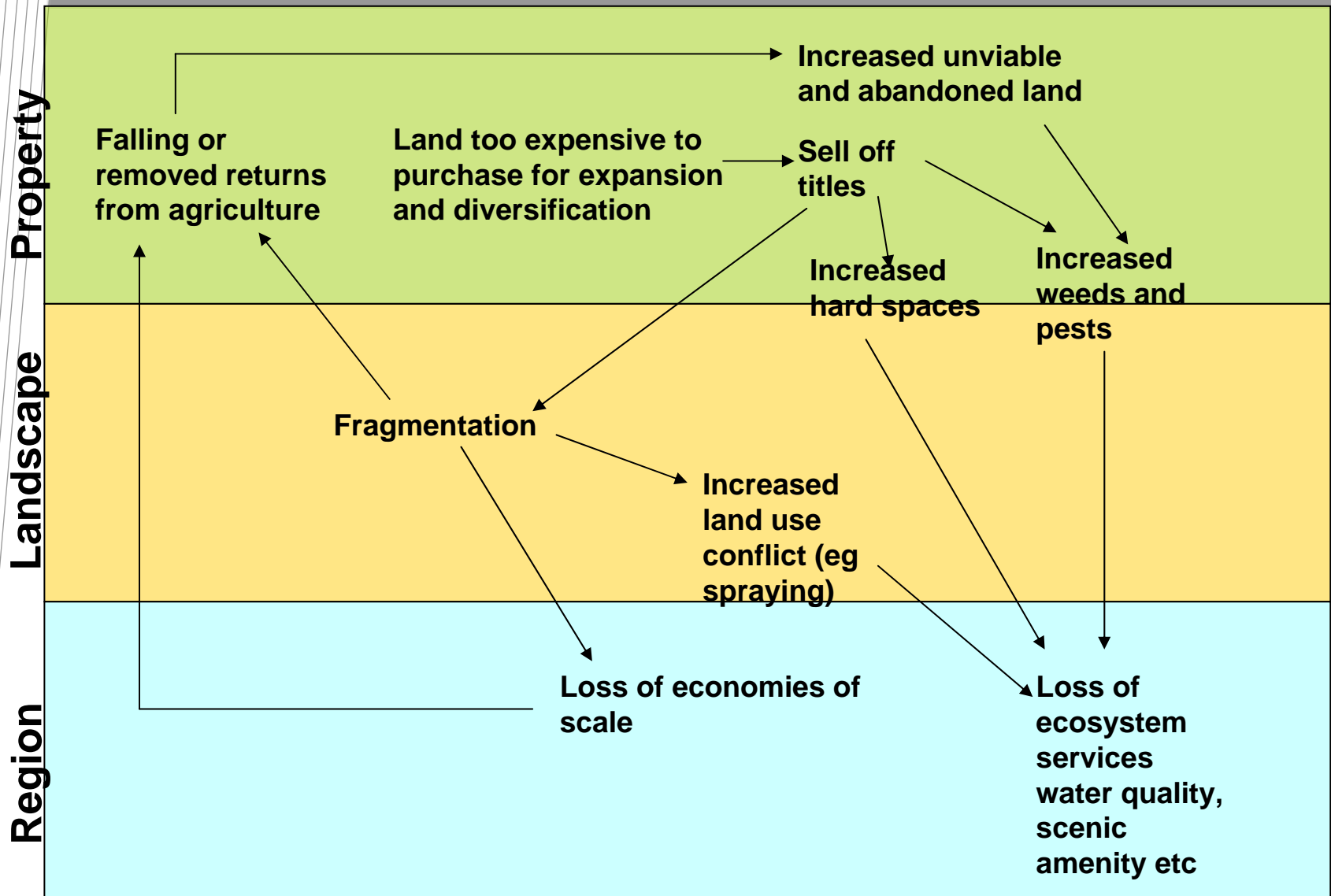
Why do we care?:

- ES occur as a result of the land use but more so land management
- ES highly valued and highly threatened in the peri urban
- Provide services to local, regional and broader community
- ES are declining in peri urban areas (ongoing and at point of change)

Why do we have this problem?:

- The scarce land resource is used and managed based on the incentives faced by landholders
- Currently externality impacts of land use is 'dealt with' through regulatory based approaches (zoning, planning provisions)
- Too coarse an instrument for:
 - Dealing with management (lack of incentives)
 - Spatial, temporal other ?? complexities
- Information problems

Land use, management and ES in SEQ Peri urban



Opportunities for MBIs

- Potential for many instruments
- Key is intelligent design and instrument mixing
 - Need to manage the ongoing and point of change
 - Potential to make large gains at the point of change
- Path dependency and path setting with instrument selection and design
- Different instruments present different trade offs of outcomes,

For example in SEQ...

Current trajectory – business as usual

- Continue current ad hoc policy mix
- Planning instruments – mainly zoning
- Voluntary instruments such as covenants.
- Extension and suasive instruments including Land for Wildlife and Best Management programs.
- Incentive based instruments including rate and tax rebates and management grants.

Flexible with ecosystem service focus

- Structured alignment of existing approaches
- Additional incentives at point of sale encouraging sustainable pro-ecosystem service development.
- Negative and make-good incentives to avoid damage to ecosystem services.
- Includes approaches such as: bonus and tradable development rights, cluster developments, and development offsets.

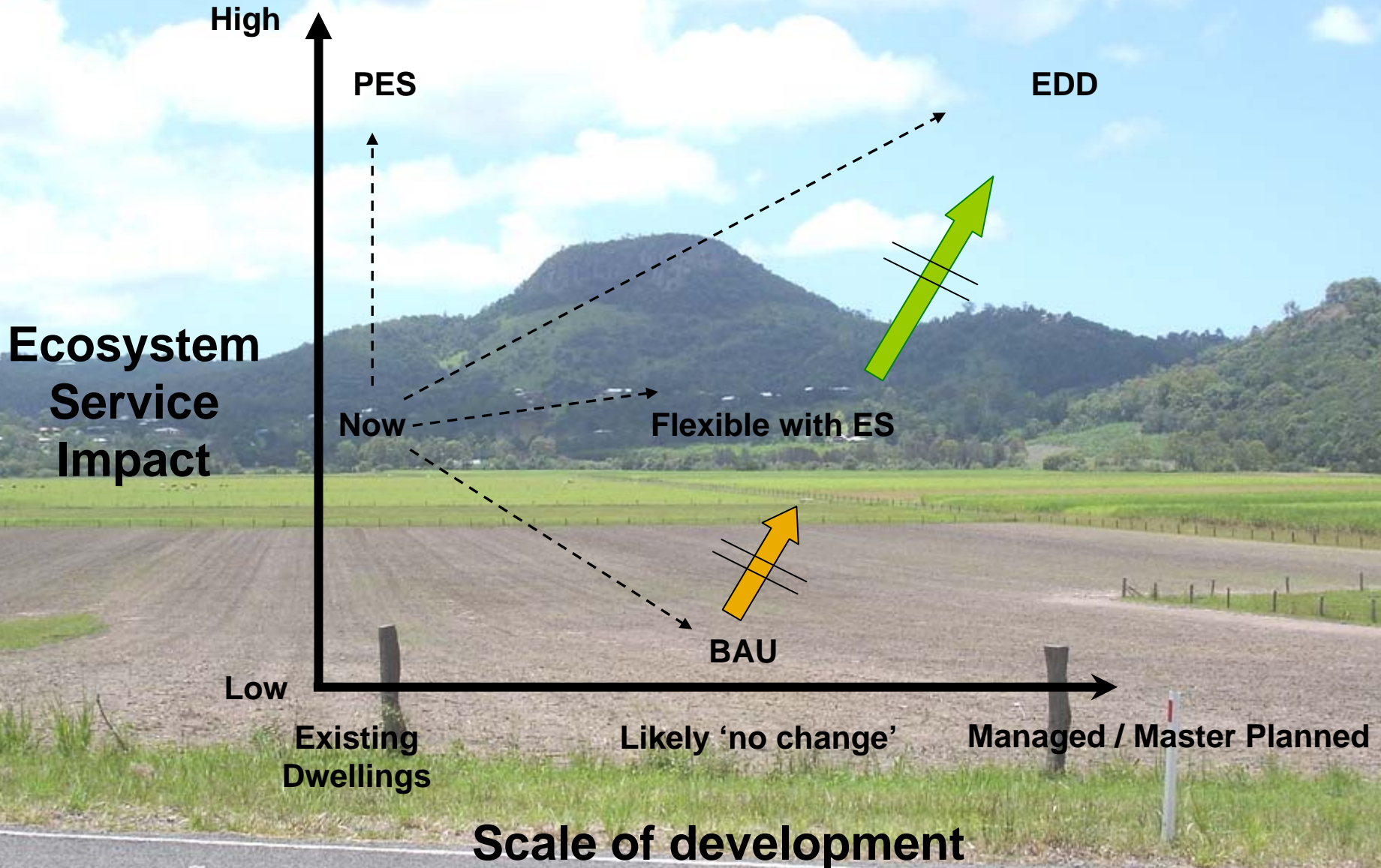
Payments for ecosystem services (public investment)

- Structured alignment of approaches PLUS
- Payments for specified ecosystem services sufficient to drive landuse decisions.
- Supporting instruments including market based instruments for allocating payments (auctions tenders), revolving funds to transfer management, and strategic land purchases.

Eco-sensitive development dividend

- Structured alignment of approaches PLUS
- New, old or mixed instruments ...
- Old may include developer charges.
- Mixed instruments could require purchase of 'environmental asset points' as part of approval process.
- New instruments could include sale of development rights to fund ecosystem services.

Instruments and tradeoffs in the SEQ peri urban



Issues and futures

- Different political and institutional space than our rural experience
- Highly contested, high risk, many stakeholders
- Need to work on fostering relationships and demonstrating where we can add value rather than antagonising old positions (markets versus planning)
- Seek out opportunities for lab based research
- Visual demonstration of possible policy outcomes

Thank you..

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Markets, Incentives and Institutions Team:

- Incentive and other policy selection and design
- Competitive tenders for NRM
- Offset design
- Behavioural economics

