Module 10

Incentives and tools for local-scale management

A wide range of tools and approaches help meet catchment needs

Here we introduce many, then express those in n exemplary case study

Participants then frame tools for their model catchment
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Locally Adapted

• Managers need a range of tools
  • We select appropriate tools to address local community challenges

• Catchments need a tailored suite of tools
  • View the catchment, landscape and community as a system
  • Use context to select and adapt tools
  • Recognize that practices are culturally and ecologically contextual
Local Context

- Livelihood challenges often caused by insufficient access to water, land and resources

- Livelihoods influenced by local politics, social setting, health needs and financial resources

- We use a variety of societal instruments:
  - Policies, laws, traditions and customs
  - Local, regional and national institutional governance
  - Commercial interests
  - Non-governmental organisation actions

- We also incorporate natural system function (e.g., floods and fires are critical and positive parts of many ecosystems)
We must recognize that government plays an important role in management; some tools cannot readily be selected by a catchment manager.

Tools to consider:
- Advocacy & extension
- Economic development incentives
- Legislation & regulation
- Markets for ecosystem services (including rewards PWS, PES)
- Stewardship
- Community-based natural-resource management
- Labeling, marketing & targeting
- Micro-credit schemes
- Natural-resource accounting
Advocacy & Extension

• Appropriate for rural and urban communities

• Renewable energy, water conservation, and demand-management interventions contribute to sustainable resource management

• Examples of sustainable practices:
  • Water-wise food production
  • Rain water harvesting
  • Selection of appropriate crops
  • Sustainable consumptive utilization of resources

• Many goals can be achieved by empowering stakeholders through good communication
Government Purchase of Services

• Managers have access to more than advocacy and extension to promote ecosystem management

• Mainstreaming ecosystem management through resource incentives by national, regional or local governments can achieve economic goals

• Especially in richer economies, tax incentives may be available to improve land management practices
Legislation & Regulation

- Natural resources regulated through legislation
- Applies to water, land, biodiversity and the environment
  - In poorer countries, often a lack of legislation
  - In richer countries, legislation often in place but fragmented or not implemented
  - Some countries have progressive legislation, but lack capacity or will for implementation

- Managers have opportunity to understand available legislation, and use it to accomplish tasks required for the catchment
Markets for Ecosystem Services

• This relatively new tool includes:
  • Rewards (payments) for watershed services
  • Carbon sequestration and offsets
  • Markets for biodiversity
  • Corporate social investment markets
  • Upstream-downstream linkages
  • Use of social media & social marketing
Stewardship

• An approach to resource management that is sensitive to a range of uses with a goal of long-term sustainability

• Forest, water and biodiversity stewardship is one of the newest tools

• It is more applicable in developed than developing economies; partners well with economic development incentives, legislation and regulation, and markets for ecosystem services
CBNRM

- Multifaceted approach to natural-resource management
- Combine economic, political and institutional goals
- Aimed at providing collective decision making to enhance productivity of non-agricultural systems
- Often structured around wildlife and nature-based tourism
Labeling, Marketing & Targeting

- Best where the economy is strong and household incomes are high

- Possible strategies:
  - Identification of flagship species
  - Establishing an enabling environment
  - Integration of biodiversity guidelines into production systems
  - Identification of biodiversity champions among land managers/producers
  - Integrating biodiversity in product branding
  - Showcasing successes
Micro-credit Schemes

• Can lead to a reduction in demand for natural resources in poor communities
• Most applicable at a fine spatial scale
• Can be a powerful resource for assisting a subset of the catchment population
Natural-Resource Accounting

• To implement any tool in the toolkit, we must practice resource accounting

• Especially important where only advocacy and extension resources are available
Group Exercise

• In your catchment, build a list of incentives and tools that you feel would be appropriate to apply as part of your toolbox (20 min)

  1. Describe tools you feel would be appropriate and why
  2. What organizational partners can you seek for support?
  3. Are initiatives already in place that you can work to expand?
  4. Who are key stakeholders you may want to involve in this process?

• Elect a spokesperson to present in plenary (15 min)
• Next slides reminds you of the tools
Building the Toolbox

Tools to consider:

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Example

Yemen water Reform

- Yemen’s structural water scarcity is considered in the reform program. Freshwater availability in Yemen is one of the lowest in the world with per capita availability of just 135 m3 per year.
- Groundwater resources are being used up at twice the rate they are replenished, making water scarcity a structural problem in many urban and rural areas.
- Access to safe water and sanitation is low by regional standards.
Example

Yemen water Reform

• There are a number of issues that need attention in order to speed the transition and to produce the targeted outcomes.

• **Need for Business Plans.** Although many utilities face difficult challenges, there is much that can be done now to improve performance by energetic and committed managers.

• All utilities should prepare as soon as possible pragmatic and customer oriented Business Plans showing how they will improve services, achieve financial sustainability and expand access, with particular attention to the poor.
Example
Yemen water Reform

- **Support to be comprehensive, tied to results, and long term.** Support to improve service delivery and utility performance works best when there is an integrated package of institutional development, capacity strengthening and physical investment.
Example

Yemen water Reform

• Governance improvements and management empowerment needed. Institutional development of the utilities and the completion of the decentralization process are priorities.

• The governance structure of the utilities needs to be improved to clarify the powers and responsibilities of boards and management and their relation to the center.

• Managers need to be empowered by clear delegation of authority, capacity building and the strengthening of management procedures and tools.

• Regulation and monitoring essential to successful decentralization. In order to protect the interests of both utilities and consumers, the introduction of independent regulation is a priority. This needs to be combined with improvements to the information system and the adoption of benchmarking in order to allow performance assessment. Regulation also needs to be expanded to the private sector.
Example
Yemen water Reform

- **Cost recovery and (longer term) financial autonomy.** Business Plans and targets will be achieved through a combination of efficiency gains and tariff adjustments.
- Tariff studies need to be carried out to show how tariffs can be adjusted linked to improvements in service standards.
- For the longer term, thought needs to be given to how utilities can become autonomous in terms of investment financing.
Example
Yemen water Reform

• Social accountability between pro-poor utilities that are open to dialogue and consumers who pay for services received.

• Utilities should address the needs of the poor in their Business Plans both through the tariff structure and through programs to ensure better access for the poor.

• Innovative technologies and partnerships with the private sector and civil society are ways that utilities can expand the population’s access to services and protect the poor with a reduced burden on the public purse.

• Customer relations and public dialogue and transparency about services and policies need to be given priority, so that customers will understand the need for tariff increases.
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We cannot present all possibly useful tools; does this suite seem to cover the breadth you feel necessary?

After your experience here, do you think your participants would complete the exercise?