## 4. Raising awareness of the value of the environmental services

Without basic understanding at all levels of the social and environmental benefits that can emerge from rewarding upland communities for environmental services provided, this innovative approach will not develop, expand, and have an impact. Emphasis will be placed on linking environmental actions at local levels those that benefit from them, including the global community. To accomplish this, program results in the form of research and other experiences derived from the program will be circulated widely.

#### 5. Forming effective partnerships

Throughout the program, a broad array of partnerships will be developed and nurtured. This will result in a strong consortium of research and development partner organizations that are engaged with national and local governments and non-governmental organizations at all levels. This network of partnerships will facilitate the collaboration to accelerate the development of environmental services agreements throughout Asia, within and outside the program.

### 6. Establishment of a viable 'facility'

Towards the end of the program it is expected that the options for effective environmental service rewards are sufficiently clear that the organizational aspects of a 'facility' to ensure an appropriate and sustainable institutional approach to foster transfer payments to the poor will merit full attention.

## **IMPLEMENTATION**

Through the work of the consortium partners, the RUPES Project will undertake action research that will look at testing rewards or potential rewards and reward mechanisms at a number of sites throughout Asia. RUPES action research sites have been established in Indonesia, the Philippines, and Nepal and will expand to other countries such as southern China, Vietnam, Laos, India and Sri Lanka.

# **IMPACT OF RUPES**

The primary impact of RUPES will be to create and study experience on the use of environmental reward transfers as a tool for promoting effective and sustained environmental management while at the same time increasing benefit flows to poor upland communities. The main result will be a deeper and more practical understanding of how to formulate such arrangements, their viability and potential for wider use. The RUPES initiative will serve as an intellectual focal point for collection and analysis of experience derived for these innovative approaches. Experience and analysis will feed directly into government planning for environmental management and poverty alleviation in the uplands of selected countries in Asia.

The impact on poverty alleviation will likely come from rewards to upland communities taking the form of secure land tenure, development assistance such as credit, market infrastructure, improved/expanded extension service, particularly in terms of better access to quality germplasm for trees or other agricultural products and when appropriate, direct financial payments. The emerging market for carbon, whether or not linked to offset arrangements, offers the most immediate potential opportunity for the upland poor.

As more experience is gained and analyzed in this and other environmental service markets, the greater the potential for magnifying impact beyond the initial RUPES areas.



Nomination of an action research site in the project, contribution to studies and assessments undertaken at the RUPES sites, sharing the results of similar work being carried out elsewhere that can contribute to the RUPES knowledge base – all these are ways to participate.

If your organization or institution would like more information on RUPES or would like to be involved in the RUPES program please contact us.

**RUPES Program** 

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Rewarding Upland Poor

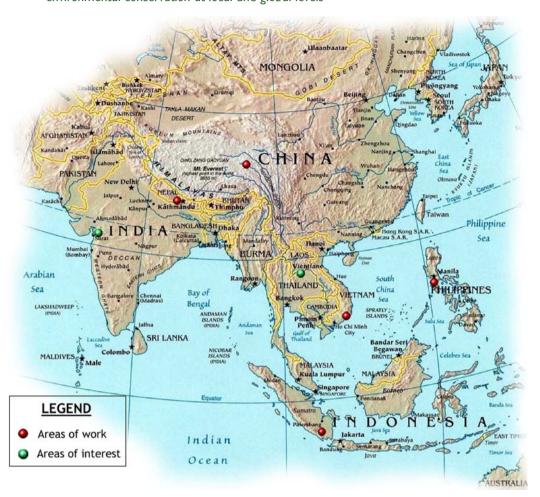
Email: rupes@cgiar.org

Website: http://www.worldagroforestrycentre.org/sea/
Networks/RUPES/Index.htm

Photos taken by: Hadi S Arifin (IPB), M van Noordwijk (ICRAF), Nurani Dunia Foundation

## **GOAL**

To enhance the livelihoods and reduce poverty of the upland poor while supporting environmental conservation at local and global levels



## **BACKGROUND**

Among the vast multitude of the poor in Asia, the populations that are most marginalized are those living in the hilly and mountainous areas. The benefits of national and local investments in economic development often bypass these upland communities and in many cases they are bearing a large share of the negative aspects of development.

It is increasingly evident that the real plight of mountain and upland poor communities has been overlooked. There is an urgent need to support a process of self-empowerment so that poor upland people can take the necessary decisions to build a sustainable future based on their resources, on improved technology and centuries of accumulated wisdom.

We now know that many upland and mountain communities in Asia manage landscapes that provide environmental services to outside beneficiaries. The services they provide include clean and abundant water supplies from watersheds, biodiversity protection, stocks of carbon that may alleviate global warming and landscape beauty for recreation and tourism. However upland communities are not sharing in the benefits that these services provide. Rewarding the poor upland communities for providing environmental services would enhance their livelihoods and reduce poverty.

# A PROGRAM FOR DEVELOPING MECHANISMS FOR REWARDING THE UPLAND POOR IN ASIA FOR THE ENVIRONMENTAL SERVICES THEY PROVIDE (RUPES)

Through partnership with the International Fund for Agriculture and Development (IFAD) as a major donor, the World Agroforestry Centre (ICRAF) has taken on the role of coordinating a consortium of partners interested in contributing and being a part of RUPES. These include such organizations as the Center for International Forestry Research (CIFOR), World Resources Institute (WRI), World Conservation Union (IUCN), Winrock International, Conservation International (CI), the Economy and Environment Program for Southeast Asia (EEPSEA) of the International Development Research Centre (IDRC), Ford Foundation, The Nature Conservancy (TNC), International Institute for Environment and Development (IIED), Worldwide Fund for Nature (WWF), national partners from the countries in Asia where RUPES is conducting action research, and other international and national investors in poverty alleviation and natural resource management.

## THE STRATEGY

The RUPES Program will build working models of best practices for successful environmental transfer agreements adapted to the Asian context. It will conduct targeted action research at a number of sites across the region to examine and explore what are the environmental services and how can they be measured. Mechanisms to anticipate and prepare for changes to environmental services will also be considered as part of the program.

The program will look at whom the rewards should go to, who will pay the rewards, how and in what form they would be collected and what amount or form is appropriate. The action research will define appropriate methods with the beneficiaries for best practice in environmental transfer payments. It will provide simple, practical examples of how innovative, institutional arrangements and reward mechanisms can be applied to foster local development, while at the same time preserving and restoring the environment.

The emphasis will be on easily understood, sound and financially and institutionally sustainable approaches.

There will be a particular focus on the development and strengthening of local institutions associated with environmental transfer payments. Networking at global, regional and national levels will be another key element of the RUPES Program.

## **CHALLENGES**

There are a number of significant questions that must be answered as environmental transfer payment mechanisms are explored and put into place to reach the upland poor. The research and development activities that form the RUPES program include:

### I. Quantifying environmental services

Practical and cost-effective methodologies will be applied for quantifying environmental services adaptable to upland settings. Indictors of environmental services – watershed services, biodiversity conservation, carbon stocks and socioeconomic indicators will be examined in terms of who generates these services and who benefits from them, under various land use practices.

### 2. Developing successful environmental service agreements

It is unlikely that a single reward mechanism for providing environmental services meets all situations. Thus, an array of mechanisms will be formulated in terms of likely impacts on land use choices, information, monitoring and enforcement costs, and the supporting policy framework. The mechanisms should benefit the rural upland poor in a way that is cost effective, so as to reduce both poverty and environmental problems.

### 3. Supporting a transparent and enabling environment

In order for systematic transfers of rewards to upland communities for the environmental services they provide to take place, constraints that inhibit such transfers must be identified and addressed. These constraints can take the form of a lack of political will, institutional capacity, lack of a supportive legal framework, conflicting and competing government jurisdiction, financial resources and even limited community interest and commitment.

