

SUMMARY OF THE UNDP REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN BIODIVERSITY INITIATIVE MEXICO CONSULTATION: BIODIVERSITY AND ECOSYSTEMS: WHY THESE ARE IMPORTANT FOR SUSTAINED GROWTH AND EQUITY IN LATIN AMERICA AND THE CARIBBEAN. 13-14 AUGUST 2009

The United Nations Development Programme (UNDP) Regional Programme for Latin America and the Caribbean (LAC) held a consultation in Mexico City, Mexico on 13-14 August as part of a regional initiative entitled "Biodiversity and Ecosystems: Why these are Important for Sustained Growth and Equity in Latin America and the Caribbean" ("Initiative") to prepare a report on the role of biodiversity in wealth generation and support of wellbeing in the region. Similar consultations are slated for Colombia, Ecuador, Mexico, Peru, Venezuela, Central America (in Guatemala), and another for the Caribbean nations, the venue of which is to be agreed. Each seeks the inputs of national experts and stakeholders.

The first day of the Mexican consultation included morning presentations on the Initiative and the national context in plenary, and in the afternoon participants broke out into three working groups to discuss Mexican policies, and to identify key sectors for promoting investment in biodiversity and ecosystem services and any existing barriers to such investments. Working groups resumed their deliberations on the second morning by discussing key policy ideas to include in the report, followed by a plenary session examining how best to contribute to the regional report and ensure its wide dissemination.

BRIEF HISTORY

The 2008-2011 UNDP Regional Programme for LAC has identified as one of its strategic areas a regional initiative entitled "Biodiversity and Ecosystems: Why these are Important for Sustained Growth and Equity in Latin America and the Caribbean" ("Initiative"). Organized in partnership with the UN Environment Programme (UNEP), UN Economic Commission for Latin America and the Caribbean (ECLAC) and the Secretariat for the Convention on Biological Diversity (CBD), the Initiative aims to convince policy- and decision-makers in the region to invest in and maintain biodiversity and ecosystem services.

The Initiative's primary product will be a report examining a number of issues including: financial and economic benefits and costs to countries from sustainable ecosystem management; the contribution of biodiversity and ecosystems to sectoral production and outputs; their economic value; and the role of biodiversity and ecosystem services in promoting growth and equity. The report's production is supervised and guided by a Commission for Biodiversity, Ecosystems, Finance and Development composed of the region's political leaders,

economists, businessmen and civil society representatives. The report's quality control will be overseen by a technical advisory committee of regional finance and economic experts, while much of the report's actual preparation will be done by a central technical committee composed primarily of environmental economists. With a view to reflecting the diverse experiences and views of LAC nations, a series of consultations across the region is also scheduled to seek direct input from representatives of governments, civil society, indigenous communities, academia and the private sector. The Mexico meeting is the first of these regional consultations.

SUMMARY REPORT OF THE MEXICO CONSULTATION

OPENING PLENARY

On Thursday 13 August, the consultation opened with a brief introduction by the consultation facilitators, Yolanda Kakabadse, Latin American Future Foundation (Ecuador) and Claudia Martinez, E3 Consulting (Colombia), followed by a welcome message from Arnould Peral, acting Resident Representative, UNDP Mexico. Peral stressed the importance of biodiversity for LAC growth and noted that LAC has six of the most bio-diverse countries in world, yet its biodiversity is under threat by the demand for water, food, and other resources. He noted that some of the most bio-diverse communities in Mexico are rural. He said that protecting biodiversity represents a major challenge in sustainable human development and realization of

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the Millennium Development Goals. Peral observed that during the past two decades Mexico has put in place many relevant policies and that Mexico's Development Plan 2007-2012 places importance on biodiversity and biodiversity information systems, but much yet needs to be done.

FIRST SESSION: CONTRIBUTIONS OF BIODIVERSITY AND ECOSYSTEM SERVICES TO LATIN AMERICA AND THE CARIBBEAN'S DEVELOPMENT AND EQUITY

Emma Torres, Senior Adviser, UNDP Regional Programme for LAC, explained the Initiative's origin, organization and principal objectives. She said the Initiative aims at getting the region's leaders to take up a long-range vision of investing in "natural capital" and to recognize its value in promoting both economic growth and equity. She further explained the intention to highlight the importance of biodiversity for LAC's future competitiveness as the world's green economy develops, to ensure it is uniquely positioned to take advantage of the trend.

Torres explained that many of the region's recent emblematic cases are not documented or widely-known, so the consultations are essential for gathering such information. She said the report will reflect fully national concerns and key messages and that, while ideally UNDP would like to have consultations in all LAC nations, time constraints may mean this is not possible and so initial consultations will be undertaken in LAC's mega-diverse countries, plus a country in two important sub-regions (Caribbean and Central America).

Torres continued by outlining that, in addition to the consultations, UNDP is seeking "strategic alliances" on the issue with leading environmental organizations and multilateral financing institutions involved in the region. She explained that a communication strategy is being developed and that, while the Initiative still does not have its own website, one is scheduled for October 2009. Lastly she discussed the international context for the report, referring to 2010 being the International Year of Biodiversity, and said the report will feed into the upcoming Tenth Conference of Parties (COP-10) to CBD, sixth EU-LAC Summit, and the Ibero-American Summit.

A member of the regional report's preparation team, Carlos Eduardo Young, Federal University of Rio de Janeiro, outlined the report's three main messages that: biodiversity conservation and ecosystem services increase economic growth; promoting conservation is a form of promoting social equity, because the poor usually are those most affected by the loss of ecosystem services; and the cost of conserving biodiversity is very low compared to what it generates. He explained that the report would examine under-documented issues such as bio-banking, bio-prospecting, the link between biodiversity and human health, and the costs of inaction.

In the subsequent discussion, one participant recommended that the report take into account the second edition of Mexico's Natural Capital Report. He also mentioned that the National Commission on the Knowledge and Use of Biodiversity (CONABIO) will hold a workshop on ecosystem services in the coming weeks. Another participant underscored linkages to international processes, such as talks on a possible CBD protocol on access to the benefits of genetic resources. A third lamented the lack of business representatives in the consultation. Both Kakabadse and Torres responded that they would have to analyze why few business representatives responded and how they can address this in the other consultations.

A participant stressed the need to manage bio-prospecting for the general good, and to protect ancestral knowledge of medicinal plants. Young replied that the report will contain a chapter on biodiversity and health composed by Brazil's Oswaldo Cruz Foundation which will also touch on bio-prospecting.

Another participant voiced concern that Mexican law limits diversification of rural land development, and opined that making lands "untouchable" is not an option in LAC. In response to a question on what the report will say about carbon storage, Young responded that it will not go into all the details

of the various Reducing Emissions from Deforestation and Forest Degradation (REDD) schemes currently proposed in the climate change talks, but will discuss generally biodiversity's role in carbon storage. A further participant suggested that the report mention Mexico's National Conservation Strategy, which among other things has identified competition for land use as a key problem. Noting that Mexico has a climate change management strategy, one participant said it has yet to develop a strategy regarding climate change's impacts on biodiversity. Another participant raised the problem of pressures for tourism development in sensitive areas such as wetlands.

Following this discussion, Alejandro Guevara, Iberoamerican University, briefed the meeting on Mexican case studies on the economic importance of biodiversity regarding: biological pest control; ecotourism generally, and whale-watching in particular; water resources services of forests; mangroves and fishery production; mangroves and ecotourism; and income generation by protected natural areas. He discussed the impact of conscientious consumers on biodiversity protection, whether through: preferences for sustainable products, such as organic or shade coffee; boycotts of unsustainable products, such as the tuna ban; or their support for tough environmental regulations in certain instances, such as protection of turtles and vaquita marina, an endangered porpoise native to Mexico. He also raised the importance of measuring lost opportunity costs.

Carlos Muñoz, National Ecology Institute, outlined six policies being used in Mexico: protected natural area declarations; new or stricter regulation of extractive activities; technical or financial aid to producers to help them meet norms and become more sustainable; refusal to authorize land use changes that replace natural areas or harm species; regulation of activities with indirect impacts; and ecosystem services payment (PSA) programmes. He said that UNDP hoped that these consultations might suggest other types of policies. He listed several Mexican cases including: vaquita marina protection; forestry PSA programmes; the policy on mangroves and tourism; the whale sanctuary and ecotourism regulation; value-added tax exemption for pesticides that impact biodiversity less; and zoning for fishing. Muñoz briefly reviewed two environmental compensation schemes in Mexico, one associated with environmental impact assessments (EIA), and the other a biodiversity offsets programme (BBOP). Focusing on protection policies, Muñoz explained the difference between inter-generational costs – where long-term gains compensate for short-term losses – and intra-generational costs – where the livelihood of the poor is affected, so some sort of compensation is needed. Lastly he discussed existing Mexican subsidies which have perverse impacts in relation to: wetlands and agricultural irrigation; the livestock productivity stimulus programme (PROGAN); agrochemicals; the Law on Rural Energy; and diesel and gasoline for fishermen (which aids overfishing).

Roberto Enriquez, Autonomous University of Baja California, called for more interventions regarding marine biodiversity. He opined that average Mexicans would be surprised to find that more than 60% of Mexico's territory is underwater. Highlighting that Mexico is a very coastal country, he stressed that it has not yet realized the potential of protecting this particular type of biodiversity.

SECOND SESSION: PARADIGMATIC CASES OF BIODIVERSITY CONSERVATION AND ECOSYSTEM SERVICES IN MEXICO AND THEIR IMPACT ON DEVELOPMENT AND EQUITY

During Thursday afternoon's first session, participants divided into three working groups to identify which Mexican experiences can be considered emblematic and should be mentioned in the regional report. Following this the working group rapporteurs reported the conclusions to plenary.

Erika Martinez, National Forestry Commission (CONAFOR), reported on Working Group One, highlighting that participants considered as emblematic: CONAFOR's PSA programme, notably the Sierra de Zapalinamé project in

Coahuila; the Programme for Conservation and Sustainable Management of Forest Resources (PROCYMAF); the Programme of Biodiversity Conservation of Indigenous Communities (Coimbio); and the Pilot Forest Plan undertaken in the 1980's in Quintana Roo with the help of the German Agency for Technical Cooperation (GTZ).

Oscar Ramirez, National Protected Natural Areas Commission (CONANP), reported on Working Group Two's discussions, highlighting that participants considered as emblematic: CONANP's Programme of Conservation for Sustainable Development (PROCOCODES), with Sierra Gorda a notable example; the Seasonal Employment Programme; entrance fees at protected natural areas being fed back into conservation of the areas; environmental zoning efforts; the Monarch butterfly programme; Pemex's programme in the Burgos Basin, its natural areas protection policy, and its compensation scheme; the EIA system; and environmental management units which allow alternative use of flora and fauna.

Blanca Guitierrez, National Polytechnic Institute, reported on Working Group Three's deliberations, noting participants considered as emblematic: vaquita marina protection; Caputanpan, an indigenous community involved in conservation where citizen participation was the key to success; and consultative councils for sustainable development.

Enriquez asked participants to explain what they thought makes public participation work. Opinions varied, with some thinking a leader was necessary, especially in rural communities, others suggesting it took a threat to motivate people, and one suggesting it depended on how much opportunity the state provides for public participation.

THIRD SESSION: STRATEGIC AREAS AND MECHANISMS TO PROMOTE INVESTMENT IN BIODIVERSITY CONSERVATION AND ECOSYSTEM SERVICES

During Thursday afternoon's second session, the working groups were given a case study on PSA access in Paraguay, and were asked to discuss a series of questions about how it related to PSA programme design and implementation issues in Mexico. After they broke into groups, each working group rapporteur reported to the plenary.

Erika Martínez, CONAFOR, reported that Working Group One considered that there is too little public information about PSA programmes and few assessments of how well they work. The Group urged a closer look at the role of gender in land titles and rights, the lack of access to rural extension services, and the language problem in dealing with indigenous communities. The Group called for making most of Mexico's forests eligible for PSA, strengthening local training, adapting schemes more to local conditions, and emphasizing getting the tourism, agro-industrial and agricultural sectors to pay for ecosystem services.

Ricardo Juárez, CONANP, reported that Working Group Two suggested that: Mexican PSA programmes have so far had marginal impact; CONAFOR regulations need change; more public education and dissemination is needed; coastal tourism development should be linked to preserving the natural aesthetics of Mexico's coast; and mangrove protection should be linked to carbon capture, and protecting coastal communities and fish nurseries. He further reported that they felt that: the petrochemical corporation Pemex does much voluntary work on conservation, but this is the exception to the rule in Mexico; and a certain percentage of budget could be set aside from large projects impacting biodiversity to fund protection efforts in the project's area.

A participant added that the lack of transparency in approval of private sector projects impeded any assessment of whether biodiversity impacts are properly taken into account.

Amorita Salas-Westphal, Juarez University of Durango State (UJED), reported that Working Group Three felt that: Mexican PSA programmes only occasionally have led to better

management practices and restoration efforts; clear land titles and rights are key to guaranteeing vulnerable populations' access to PSAs; CONAFOR's territorial limitations exclude too many potential beneficiaries; PSA programmes should better reflect opportunity costs and be sustainable beyond the current five-year limit; average citizens need to be made more aware of the programmes.

A short discussion ensued about payments for damages caused to ecosystems versus PSA, and who should pay and how.

Young commented that while UNDP is already committed to prepare a regional report, it seemed it might be valuable to do a separate report just for Mexico. He agreed that a key to getting PSA programmes to work is identifying the right pay sources. He also urged participants to free their minds and conceive of PSA programmes that do not have to include a role for governments.

FOURTH SESSION: INPUTS TO THE REGIONAL REPORT

On Friday morning in plenary, Martinez summarized the prior day's work. Participants then broke into the three working groups tasked with examining a case study on motivating Indonesian authorities to adequately protect Leuser National Park in Aceh Province through studies of the economic losses. They were directed to reflect on its lessons and discuss several questions, including two in particular: what type of technical information can change the focus of decision-makers regarding development; and who should generate that information. Following their deliberations, the working group rapporteurs reported to plenary.

Mauricio Ayala, National Water Commission (Conagua), reported that Working Group One found that: current information is too often not systematized; indigenous communities' knowledge is not well-recognized or documented; citizens need to play a more active role; and biodiversity valorization should undertaken not just from economic viewpoint, but also ethical and cultural.

Yamel Rubio, Sinaloa Foundation for Biodiversity Conservation, reported that Working Group Two agreed on the last point, but cautioned against quantifying the values of a species. The Group also urged: transmitting cases that are both concrete and easy to understand, particularly those that illustrate clear benefits to communities; getting universities more involved in generating case studies; lobbying high-level members of the government; and forming an environmental committee of diverse membership – environment non-governmental organizations (NGOs), media, private sector, even cultural groups – to engage in the dissemination of the information.

Cecilio Solis, Indigenous Tourism Network of Mexico, reported that Working Group Three urged: arguing that biodiversity has value for life, and brings a social benefit and not just economic and biological benefits; including social participation in economic evaluation exercises, and ensuring that the results differentiate between value to different sectors of society; disseminating studies that clearly demonstrate that it is better to invest today in biodiversity; and providing economic evaluations that account for contingencies.

In the subsequent discussion, participants recommended: providing projections of the cost of not acting; contacting Mexico's Commission for Private Sector Studies for Sustainable Development (CESPEDES) as a way to get the private sector involved; bearing in mind that every citizen is also a decision-maker in that what they do also affects the environment; analyzing what actions might convince politicians that they can gain votes; being more proactive, less reactive; finding ways to foment and tap social pressures; involving the National Science and Technology Council (CONACYT) in promoting and prioritizing economic valuation studies; educating children about conserving biodiversity, so they can influence their families; and encouraging UN

Secretary-General Ban Ki-moon to introduce the final regional report with top leaders from the region, perhaps even Presidents.

CLOSING SESSION

On Friday, in closing plenary, Martinez presented a summary of the consultation's main ideas and conclusions.

On participants' observations, she stressed several key points, including that:

- as Mexico is a marine state, marine biodiversity must be included;
- the Second Mexico Natural Capital report could be a valuable reference;
- access and equitable participation in biodiversity's benefits are important, particularly for indigenous communities;
- biodiversity is cross-cutting and inter-sectoral;
- there should be more emphasis on global changes and less on climate change alone; and
- gender equity is a cross-cutting theme in biodiversity.

On emblematic experiences, she highlighted a number of areas, including:

- payments for ecosystem services, in particular the CONAFOR scheme;
- the CONANP Sierra Gorda project;
- Pemex's compensation scheme;
- the Caputanpan indigenous community;
- consultative councils for sustainable development, providing a larger scheme for public participation; and
- forestry schemes such as Quintana Roo.

On payments for ecosystems services programmes, she noted a number of issues including:

- issues in relation to property rights, in particular for women;
- that the 200 hectares minimum requirement is difficult to meet;
- the need for sustainability beyond five years;
- the problem of arriving at decisions in communal lands;
- the unhelpful role of consultants;
- conservation of resources versus "resources for the pocket;"
- jumping from conservation to production.

On the question of how best to reach decision-makers, she outlined a number of factors, including:

- the need to focus on economics versus ethics;
- knowing how to sell the proposals;
- the social benefits of biodiversity and ecosystems;
- the need for a long-term vision;
- highlighting that more environmental problems lead to slower GDP growth;
- the need for international awareness raising about how climate change will affect the biodiversity of tropical and developing countries more;
- the need to use real and impactful examples;
- the call for more inter-sectoral collaboration;
- strengthening local capacities to encourage social participation;
- direct applied and pure sustainable development research;
- differentiated environmental education;
- biodiversity valorization exercises; and
- targeting high-level politicians and placing the issue on the electoral agenda.

In the ensuing discussion, one participant called for more discussion of linkages between biodiversity and climate change. Others agreed, but underscored that any discussion needs to consider both the impacts of climate change on biodiversity and the key role conserving biodiversity may play in mitigating and adapting to climate change. Another cautioned against too much emphasis on climate change, which is already overshadowing biodiversity as a global issue.

One participant raised the question of how best to get businessmen more involved in the issue beyond slogans and symbolic efforts. Martinez suggested greater dissemination of information on the benefits of green markets and green production and supply chains. A number of people suggested looking at ways that motivate corporate interests – perhaps

some sort of special public award, or labeling or certification scheme, with one cautioning against promoting labeling schemes, since there is no verification mechanism for these in Mexico and consequently they often are mistrusted by consumers.

One participant suggested that the report give top priority to reviewing perverse subsidies that negatively affect biodiversity and ecosystem services.

In closing, Martinez emphasized that this consultation and report should not be viewed as an end, but rather the beginning of a process. Kakabadse stressed the process belongs to the participants, and to the region's citizens, who will be affected by both the actions and inaction of decision-makers regarding this issue.

The consultation came to a close at 1.30pm.

UPCOMING MEETINGS

UNDP - LAC BIODIVERSITY AND ECOSYSTEMS

CONSULTATIONS: The UNDP-LAC Biodiversity and Ecosystems Consultations are taking place in eight countries across the region between August and October 2009. The first, as reported in this summary, was held in Mexico City, Mexico, on 13-14 August. The consultation in Caracas, Venezuela, is scheduled for 9-10 September, and consultations tentatively are slated for Quito, Ecuador and Bogota, Colombia, in the first week of September, and for Guatemala in the first week of October. Meeting dates have not yet been set for consultations in Brazil, Peru and the Caribbean. In addition, a preliminary report on the role of biodiversity in wealth generation and support of wellbeing in LAC will be presented to the Commission for Biodiversity, Ecosystems, Finance and Development at UN Headquarters in New York, US, scheduled for 11 September. For more information contact: María José Baptista, UNDP; tel: +1 212 906 54 18; fax: +1 212 906 6017; e-mail: maria.jose.baptista@undp.org

SIXTH EU-LAC SUMMIT: The sixth EU-LAC Summit will take place on 18 May 2010 in Madrid, preceded by a Meeting of Ministers of Foreign Affairs on 17 May. The theme of the Summit will be: "Towards a new stage in the bi-regional partnership: Innovation and Technology for sustainable development and social inclusion". The Madrid Summit aims to bring together not only Heads of State and Governments from Latin America and the Caribbean and Europe, but also important non-state actors. For more information see: http://ec.europa.eu/external_relations/lac/index_en.htm

IBERO-AMERICAN SUMMIT: The Twentieth Ibero-American Summit, bringing together heads of state and government from Spain, Portugal and the Spanish- and Portuguese-speaking nations of Latin America, will be held in Argentina in 2010 at a date and venue to be announced. For more information contact: Ibero-American General Secretariat (SEGIB); tel: +34 91 590 19 80; fax: +34 91 590 19 81; Internet: <http://www.segib.org>

CBD WORKING GROUP ON ACCESS AND

BENEFIT-SHARING (ABS WG 9): The ninth meeting of the CBD Working Group on Access and Benefit-sharing will take place in Colombia on 18 March 2010 - 24 March 2010 at a venue to be determined. For more information contact: CBD Secretariat; tel: +1-514-288-2220; fax: +1-514-288-6588; e-mail: secretariat@cbd.int; Internet: <http://www.cbd.int/meetings/>

CBD COP 10: The tenth meeting of the Conference of the Parties to the Convention on Biological Diversity will meet in Nagoya, Japan on 18 October 2010 - 29 October 2010. COP 10 is expected to assess achievement of the 2010 target to reduce significantly the rate of biodiversity loss, adopt an international regime on access and benefit-sharing and celebrate the International Year of Biodiversity 2010. The High-level Segment will be held from 27-29 October 2010. For more information contact: CBD Secretariat; tel: +1-514-288-2220; fax: +1-514-288-6588; e-mail: secretariat@cbd.int; Internet: <http://www.cbd.int/meetings/>