



GLOBAL AGENDA FOR SUSTAINABLE LIVESTOCK

GOOD PRACTICE GUIDELINE

Linking herders to markets for environmental services

KEY MESSAGES:

1. Markets for environmental services can provide incentives for herders to adopt sustainable management practices
2. The practices adopted must be developed through discussions and agreements among herders
3. Indicators of practices and performance enable herders, programme managers and scientists to track progress
4. Further innovation based on early pilot project experiences should open up more opportunities for herders in developing countries

Linking herders to markets for environmental services

Overview of practice

Grassland degradation is often reflected in a deterioration of the quantity and quality of available forage, as well as the loss of soil carbon and other environmental services. Declining grassland productivity also affects livestock productivity and herders' livelihoods and well-being.

Herders are often aware of these issues and challenges, but in countries where grasslands are not privately owned, sustained collective action is required to enable adoption of more sustainable grassland management practices.



Markets for environmental services – such as carbon markets – can potentially provide a long-term source of finance to support and incentivize changes in management practices. While the relevance of carbon markets to grassland carbon sequestration has been discussed for some years, few projects are being implemented in developing countries. The costs of project preparation, stringent data collection requirements for monitoring and carbon quantification, and investment risks associated with new project types are common barriers.

The 'Pastures, Conservation and Climate Action, Mongolia' programme, managed by the Mongolian Society for Range Management (MSRM) and developed in conjunction with the University of Leicester (UOL), UK, is a community-led initiative that is linking almost 200 herding households in four regions of Mongolia to markets for carbon and other environmental services.

Approach

In recent years, MSRM has facilitated the formation of dozens of Pasture User Groups (PUGs) throughout Mongolia. PUGs are composed of herder families that use grasslands in the same territory. Together, they assess grassland resources and make and implement plans for grazing, hay making and other collective activities.

With financial support from the Darwin Initiative (UK), MSRM and UOL worked with PUGs in contrasting ecological zones to identify, map and value ecosystem services (ES), as part of the 'Values and Valuation: New Approaches to Conservation in Mongolia' project (2012-2015)

(<http://www2.le.ac.uk/departments/geography/research1/projects/darwin/values-and-valuation>).

The ES assessed included grassland biodiversity, wildlife, soil carbon and culturally valued landscape features. The innovative participatory approach developed thus facilitated recognition of customary knowledge, values and practices in conservation planning & pastureland governance.

Building on these assessments, MSRM and UOL then worked with four of these PUGs and national research institutions to develop an approach for linking PUGs with markets for environmental services, for the very first time in Mongolia. This is taking place through the 'Pastures, Conservation and Climate Action, Mongolia' programme (2015-2019) and in relation to the Plan Vivo (PV) standard. PV is a private, voluntary standard which allows communities to engage with markets for carbon and a wider suite of environmental services, based on communities' own plans and priorities, where these maintain or improve ES. PV operates a rigorous approval and validation system to ensure ES benefits are realised and to enable release of funds to community members. Specifically, communities enter into payment for ES agreements with the project coordinator, in this case MSRM. The project coordinator monitors implementation of community plans, reports to PV and manages continued disbursement of financial incentives through sale of PV credits as agreed monitoring targets are reached. PV credits have in the past mostly been based on quantified estimates of carbon sequestration. In this Mongolian project, activities implemented by herders have led to issuance of 'carbon plus' credits. 'Carbon plus' denotes that these are about much more than just carbon. The 'Pastures, Conservation and Climate Action, Mongolia' programme contributes to nomadic herders' livelihoods and wellbeing, to the conservation of globally important biodiversity and to a range of ES, as well as to carbon sequestration.

This is being achieved in the following ways:

- a. Participating herder groups receive direct payment for ecosystem services (PES).
- b. These payments are based on a suite of interlinked activities, monitored according to agreed and approved protocols.

The programme is collaborating with almost 200 herder households with territories covering a total area of some 77,000 hectares to sequester more than 100,000 tCO₂ through improved grazing management practices. This equates to significant expected financial benefits for participating households, to be delivered and administered through existing community organisations (PUGs). Given that many herders are poor, projected payments offer the prospect of real transformations in livelihoods, in conjunction with protection and conservation of a valuable and internationally recognised biodiversity heritage.



Benefits of the Practice

Expected outcomes include:

- a. Carbon sequestration through improved land managed and reduced grazing pressure, achieved through restoration of traditional seasonal mobility between pastures and/or reduction in livestock numbers;
- b. Biodiversity conservation through herders' cooperation to protect key wildlife species and habitats, for example Mongolian gazelle, ibex, red deer, saxaul forests, and through protection of grassland resources.
- c. Improvements in livelihoods and well-being, for example through herders' collaborative processing and marketing of livestock products, livelihood diversification, and protection of locally important cultural landscapes and resources.

Financial payments from the scheme are thus designed to provide holistic support to the linked human-environmental systems of Mongolia's rangelands.



Key Characteristics required for success

Engaging communities in collective action to improve ES and livelihoods requires that programmes support locally-owned initiatives. In this case, community-driven plans for grazing and natural resource management are central to project activities. It also requires that a holistic and critical approach to ES and their assessment is adopted. Overall, the project approach is informed by our concerns with environmental and social justice, and framed by wider debates over PES and ES valuation practices.

The Plan Vivo standard allows the development of project-specific, locally appropriate protocols for assessing carbon and other ecosystem benefits. Scientific inputs thus respond to community needs.

The focus of monitoring is on implementation of the community-based activity plans. Payments are tied to the achievement of agreed milestones. This avoids having to set up costly and technically demanding procedures for direct monitoring of ES.

The 'Pastures, Conservation and Climate Action, Mongolia' programme is the first of its kind in Mongolia and in Northeast Asia. Learning from project experiences and innovation offers significant potential for other herder communities, both in Mongolia and beyond.

The Good Practice Guidelines intend to provide practical operational information related to the Global Agenda for Sustainable Livestock Focus Area 2: Restoring Value to Grasslands. The information has been drawn from a global inventory of pilot sites connected to FA2. This guideline aligns with FA2 Themes 1 Enabling Institutions and 4 Resource Management. Please visit www.livestockdialogue.org for more information.

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FURTHER READING

Mongolian Society for Range Management: www.msrm.org

Values and Valuation Project:

<http://www2.le.ac.uk/departments/geography/research1/projects/darwin>

Pastures, Conservation and Climate Action Project:

<http://www.planvivo.org/project-network/mongolia-pastures-conservation-and-climate-action/>

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