

Symposium S09:**Economic instruments for biodiversity conservation and ecosystem services****Organisers**

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Economic instruments such as tradable permits and fiscal transfers are gaining attention as policy instruments to protect biodiversity. In a system of tradable permits, habitat banks are created to generate biodiversity credits, which are next sold to land users or investors to offset habitat loss elsewhere. Compared to top-down planning, such a policy may have benefits in terms of cost-effectiveness. Yet, the conditions under which such benefits can be realized are not well understood. Under fiscal transfer schemes, public revenue is redistributed through transfers from national and regional governments to local governments. Ecological fiscal transfers compensate local governments for expenditure incurred in providing public goods and services with spillover benefits to areas beyond their boundaries.

Simultaneously, carbon sequestration and CO₂ emissions trading are being implemented at large scales to slow down climate change, along with initiatives to reduce emissions from deforestation and degradation (REDD) by providing international payments for forest conservation. Linking biodiversity conservation and climate protection through tradable permit markets or fiscal transfers may provide synergies, but can also involve trade-offs.

The goals of this symposium are threefold: First, it aims to better understand the potential and limitations of tradable permits and fiscal transfers for biodiversity conservation. Determining the conditions under which these instruments can meet conservation goals requires a multidisciplinary approach, including ecological, policy and economic perspectives. Second, it highlights the synergies and trade-offs between biodiversity and climate policies for tradable permits and ecological fiscal transfers. Third, it presents experiences from developing and developed countries with tradable permit and fiscal transfer schemes for biodiversity conservation at different stages of the policy cycle.

Contributors

- **Irene Ring and Astrid Van Teeffelen:**
Introduction
- **Martin Drechsler**, Karin Johst, Paul Opdam, Astrid Van Teeffelen, Claire Vos, Frank Wätzold:
Opportunities and constraints of tradable permits for biodiversity conservation
- **Oscar Venter**, Richard Fuller, Takuya Iwamura, Hugh Possingham, Kerrie Wilson:
Conserving forest biodiversity through global efforts to reduce carbon emissions from deforestation
- **Stephen Polasky**:
A landscape level analysis of trade-offs and synergies on carbon sequestration and biodiversity conservation
- **Rui Santos**, Paula Antunes, Irene Ring:
Fiscal transfers for biodiversity conservation: experiences and prospects
- **Silvia Irawan**, Luca Tacconi:
Deforestation and ecological fiscal transfers in Indonesia
- **Surender Kumar**, Shunsuke Managi:
Compensation for environmental services and intergovernmental fiscal transfers in India