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| PES Study | PES Description |
| Carbon Livelihoods Project: Mozambique*Source*: Hedge and Bull (2011) and Groom and Palmer (2012) | The project operated across several villages and aimed to establish a viable alternative livelihood, agro-forestry and carbon credit scheme. Agroforestry was designed to generate carbon offsets alongside new ‘on-farm’ labour activities, whilst the alternative livelihood element promoted ‘off-farm’ micro-enterprises. Initially funded by the European Union, the programme became self-financing following sales of verified emissions reductions (VERs) in the voluntary carbon market. VER sales were used to establish an annual PES fund that dispensed payments to farmers over a seven year period. Remaining revenue was channelled into a community trust fund for development projects such as healthcare support. Adoption of agro-forestry practices meant households generated new ‘on-farm’ income by selling crops or harvesting non-timber forest products following cessation of carbon payments. Micro-enterprises such as bee-keeping, plant nurseries, carpentry and even a community sawmill provided viable and secure alternative revenue sources for farmers. In addition, some local people were hired by the project. *Criticisms*: Carbon offset payments were less important (proportionally) than income from the project’s alternative revenue sources. Micro-enterprises potentially undermined the sustainability of ‘on-farm’ activities through changes in labour allocation. Gender discrimination contributed to uneven income distribution between male- and female-headed households, and project costs were significant; with two thirds of carbon offset sales revenue directed towards overheads. |
| Western Kenya Integrated Ecosystem Management Programme (WKIEMP): Kenya*Source*: World Bank (2010) | WKIEMP was initiated to provide a viable community-livelihood development model. Implemented across 15 micro-watersheds WKIEMP focused on land productivity and sustainable-use by supporting on-farm and off-farm conservation strategies and building institutional capacity; alongside promoting management interventions geared towards biodiversity and carbon sequestration and storage. Overall the project was moderately successful. Households did not receive payment; but derived income through improved land productivity, livelihood diversification and technical capacity. Estimated net present value to participating households is considered to be US$1193 to US$2844. Moreover, 60% of beneficiary households reported an increase in food production and consumption directly addressing poverty alleviation. Furthermore, the project established institutional networks to enhance the sustainability of community activities following project cessation such as basin technical committees that promoted cross-collaboration. *Criticisms:* Two problems undermined WKIEMP’s notion of sustainability. First, project permanency: the project ran for only five years from 2005 to 2010. Second, the programme encountered fiscal constraints that hampered its implementation and operation leading to disjointed upstream and downstream management interventions. Overall, the failure to secure adequate co-financing of funds significantly impaired project performance. |
| Socio Bosque: EcuadorSource: de Koning et al. (2011) and Krasue and Loft (2013) | Socio Bosque is a nationwide government initiative designed to realise biodiversity conservation, climate mitigation and poverty alleviation benefits. Participants receive direct monetary transfers on a per hectare basis for protecting native forests and ecosystems through voluntary but monitored twenty year conservation agreements. Payments are made on a descending scale, with amounts reduced incrementally as the land enrolled increases providing a built-in equity mechanism. Participants are individual landowners or local indigenous communities, and so land is privately or communally owned. Only land that has a high probability of deforestation, sufficient carbon storage, water regulation and biodiversity capacity and is found in relatively socially-deprived areas is eligible for enrolment. Overall 260000 Ha yr-1 of forest have been protected. Remuneration is conditional, requiring compliance with a social investment plan (directing how incentives might best be used to improve social conditions) and conservation obligations. Social benefits are realised through monetary investments in health, education, household consumption, debt repayments, infrastructure and institutional capacity. *Criticisms:* Payments allocated to participants are not equal: less than a fifth of households in community agreements receive more than US$500 yr-1 compared to 92% of private landholders. The scheme has underperformed with regards to distributing individual and collective contracts in a way that accounts for the number of beneficiaries per contract and their poverty status. |