

EXPLORING THE ECONOMIC DISCOURSE ON MARKET-BASED INSTRUMENTS FOR ECOSYSTEM SERVICES

Geraldine Froger, Philippe Méral, Valérie Boisvert, Jean-Francois Le Coq, Olivier Aznar & Armelle Caron

Recent years have seen widespread experimentation with market-based instruments for the provision of environmental goods and ecosystem services. Many believe that market-based approaches can provide powerful incentives to conserve the natural environment and the public goods it provides, while at the same time offering new sources of income to support rural livelihoods. A review found almost 300 examples of such mechanisms worldwide (Landell-Mills and Porras, 2002) and the list grows longer year on year. However, little attention has been paid to their emergence, design and performance and to the effects of the underlying pro-market narrative on conventional environmental policy instruments.

Our paper aims at deepening understanding of the discourse on and politics of MBIs for ecosystem services.

We analyse the emergence of the notion of ecosystem services in the fields of economy and politics (rise of ecosystem services in the scientific literature and in the evolution of agricultural and forest policies). We note that the notion of ecosystem service is not neutral and refers to different definitions and narratives. Since its inception, the notion of ecosystem services has been associated with the neoliberal turn in conservation policies. From this perspective, the sustainable provision of ecosystem services is hindered by market failures (e.g. public good attributes, externalities) and prices that do not capture the full value of the natural assets. Depending on how these issues are defined and prioritized, different types of institutional arrangements are suggested as policy tools. The craze for market development has also led to rethink and reword existing conventional policy instruments as MBIs. It has even encouraged a shift in these arrangements, instilling market attributes into them. A wide range of mechanisms are therefore described as MBIs for ecosystem services. Our objective is to propose a mapping and a typology of both ecosystem services and associated tools, based on scientific literature and case studies of environmental, agri-environmental and resource use policies.