

EDITORIAL

This book addresses the multiple values of tropical forests and new financing mechanisms to capture these values. The chapters reflect the contributions to the international seminar ‘Valuation and innovative financing mechanisms in support of conservation and sustainable management of tropical forests’. The seminar was organised by Tropenbos International in cooperation with the European Tropical Forest Research Network (ETFRN) and took place in The Hague, The Netherlands on 20-21 March 2002. It contributed to preparing the ground for the sixth Conference of Parties on Biodiversity (CoP-6), in particular concerning policy making in relation to forests.

Tropical forests have always appealed to the human imagination. When considering the products and services provided by tropical forests, we run the risk of creating or sustaining myths surrounding these forests. What kind of values do we attach to tropical forests? The keynote article of David Kaimowitz deals with shortcomings of economic valuation methods and results, and calls for a new approach that combines objectives of forest conservation with other goals such as poverty alleviation and conflict resolution. Another question is, whether we are not exaggerating the magnitude of the services forests can provide to mankind. Science has an important contribution to make in separating between myths and real values of tropical forests. The remaining chapters of the first part of this book aim at undoing the myths and keeping the wisdom with regard to the following statements:

- (1) *Rain forests are forever*
(articles on forest history of Henry Hooghiemstra on South America and of James Fairhead & Melissa Leach on West Africa)
- (2) *Tropical forest biodiversity is crucial for the survival of mankind*
(article of Brian Boom on the role of tropical forests as a major source of biological diversity)
- (3) *Tropical forests play an important role in climate regulation*
(article of Carlos Nobre on carbon sequestration and article of Ian Calder on hydrological services)
- (4) *Tropical forests contribute to poverty alleviation*
(article of Roger Sedjo on the role of forests in poverty alleviation, and of Paul Richards on forests and violent conflicts)
- (5) *Tropical forests are priceless*
(article of Camille Bann on the economic value of tropical forests).

The first part is concluded with a report by Mirjam Ros, which summarises the discussions held during the seminar in relation to each of the former statements.

Studying the multiple values of tropical forests has become a window for understanding the insufficiency of current revenues for conservation and sustainable forest management. Innovative financing mechanisms are being developed with the aim to increase these revenues in turn for sustainably produced goods and forest services. The second and last part of this book is dedicated to various examples and a review of current innovative financing mechanisms:

Dick Rice presents conservation concessions as a new approach to financing of biodiversity conservation. On the basis of a worldwide review of markets for forest products, Natasha

Landell-Mills and Ina Porras evaluate the impacts of these market mechanisms on the poor. Carmenza Robledo describes the concept of environmental shares as developed in Colombia, including the capturing of carbon sequestration benefits. Adrian Whiteman gives an overview of the state of affairs of innovative financing in Africa. Olman Segura and co-authors deal with valuation of hydrological services provided by forests in Costa Rica.

The article of Pita Verweij gives an overview of innovative financing mechanisms in support of conservation and sustainable management of tropical forests. A draft version of this article (which included suggestions for recommendations) was used as background to the seminar workshops of the second day, which focused on the topics of financing sustainable livelihoods from forests, the role of international financial institutions, the promotion of market mechanisms, financing hydrological services, financing carbon sequestration, and financing biodiversity conservation.

The final chapter contains the policy and research recommendations that resulted from the seminar workshops. The policy recommendations were already presented at the Global Biodiversity Forum and CoP-6 Biodiversity, both held in April 2002 in The Hague and the World Summit on Sustainable Development in Johannesburg in August 2002. An important lesson is that financing mechanisms should generate sufficient short-term and long-term revenues for local stakeholders whose livelihoods depend on forest resources, to allow for sustainable use and conservation of tropical forests. Another key lesson is that the development of new markets for forest environmental services should be accompanied by international and national regulations and facilitating measures. Markets are vital to economic and human development, but regulation remains necessary. International environmental laws are powerful instruments to increase the demand for sustainably produced forest goods and services. Regulation will also remain instrumental in trying to achieve goals of social and ecological sustainability.

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Pita Verweij
Editor
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