



# 2008 GLOBAL DEVELOPMENT MARKETPLACE PROPOSAL SUMMARY



**Project Number:** 6089

**Booth Number:** 88

## **Payment for Ecosystem Services and Sustainable Agriculture**

**COUNTRY:** Paraguay

**ORGANIZATION:** Organization of American States

**FUNDING REQUEST:** \$198,230

**CONTACT:** Claudia De Windt

**Tel:** +1 202 458 6914, +1 202 458 3193

**Email:** [cdewindt@oas.org](mailto:cdewindt@oas.org)

**Website:**

<http://www.oas.org/dsd>

**OBJECTIVE:** To improve socio-economic wellbeing of 500 households residents and protect and improve the ecosystem service capacity by implementing a menu of agro-forestry practices combined with a scheme of Payments for Ecosystem Services (PES). The project will target three pilot sites located in the Department of San Pedro, which includes a portion of the Bosque Atlántico del Alto Parana (BAAP) along with other sensitive ecosystems.

**RATIONALE:** The expansion of the agricultural frontier is threatening the forests that provide local and global ecosystem services in an area considered a biodiversity "hot spot" in the Department of San Pedro State. Without alternative economic opportunities for forest owners and the limited income generating opportunities possible from the forests, agricultural expansion is responsible for this area having one of the highest deforestation rates in Latin America. Environmental degradation has been further accelerated by social tensions between those who access forest resources, weakening government capacity to enforce forest legislation, and a low perception of the value of Ecosystems Services.

**INNOVATION:** Historically, PES has been used to isolate areas for re-growth or reforestation, carbon sequestration, improvement of water and biodiversity protection. However, less attention has been focused on how agro-forestry and silvopastoral practices combined with conservation can support Ecosystem Service provision while encouraging rural development and poverty reduction. This project is the first application of the country's Law of Ecosystem Services in the context of rural farm economy.