

# **Agreement in Concept on Ecosystem Credit Accounting System**

Issued and signed by Counting on the Environment  
Working Group Members

August 4, 2009

## **Counting on the Environment Working Group Agreement in Concept on Ecosystem Credit Accounting System**

### **Introduction**

In November 2008 a Working Group made up of federal, state, and local agencies and other stakeholders began work to apply market-based approaches to restore the health of ecosystems in the Willamette Basin and beyond. The Working Group was convened by the Willamette Partnership, a nonprofit coalition of leaders in the Willamette striving to expand the pace, scope, and effectiveness of restoration with funding from an NRCS Conservation Innovations Grant. The Working Group has met in five intensive workshops and convened more than 10 focus groups to provide guidance and reach agreement on aspects of an integrated ecosystem credit accounting system. Although the focus of the group was on a pilot in the Willamette, the accounting system is designed to work in regions across Oregon and the broader Northwest. This statement represents the collective agreement of the Working Group.

### **Whereas the Working Group agrees that:**

Restoration and conservation of Oregon's natural resources are critical to the provision of clean water, clean air, and natural places which are important elements of healthy communities, economies, and ecosystems.

The current mechanisms for investing in natural resources and mitigating for unavoidable environmental impacts do not provide adequate incentives for high quality conservation in areas of highest importance. And under current mitigation rules and practices, land managers face significant hurdles restoring a breadth of habitat types and ecosystem functions on their lands. There is little or no opportunity to create multiple types of credits, and if there is, transaction costs of working with vastly different credit issuance processes can be prohibitive.

Conservation and restoration activities should 1) be suitable to the site, 2) provide for and consider appropriate context and connectivity, and 3) be sustainable over the long term.

Toward this end, an ecosystem credit accounting system can quantify the flow of benefits and impacts for multiple ecosystem services stemming from actions taken on a site. It can verify, register, and track these ecosystem services over time.

It is important to provide cost-effective mechanisms to land managers to restore sites for a broad suite of ecosystem services, and the ability to sell multiple types of credits from the same site can help increase the pace, scope, and effectiveness of restoration.

### **Therefore, the Working Group agrees:**

That the ecosystem credit accounting system, which includes 1) credit calculators for wetlands, salmonid habitat, upland prairie, and water temperature, 2) an integrated package of assurances, and 3) a standard process for issuing credits is designed to be sound, ensure high quality

restoration and adequate mitigation, and meet the needs of compensatory mitigation for these resources.

To encourage and support the voluntary testing and use of the ecosystem credit accounting system on a pilot basis from September 2009 through September 2011 with complete check-ins for revisions in August 2010 and August 2011. Eligible projects will include the pilot projects begun under the Willamette Partnership's Counting on the Environment project and any additional projects determined on a case-by-case basis by agencies and other partners. The criteria described in the Willamette Partnership's Management Plan and the recommendations of the Counting on the Environment Coordinating Team will be used to suggest new pilots.

The agencies will work together with support from other *Counting on the Environment* Working Group members to issue a Joint Statement of Agreement necessary to accept credits generated through the accounting system as adequate compensatory mitigation, so long as the pilot credit projects are also in accordance with current Agency credit issuance rules and applicable statutes.

### Implementation

Working Group participants, as representatives of their organizations endorse and support the concept of an integrated ecosystem credit accounting system. Participants commend the Working Group process, conclusions and recommendations and agree to communicate this Agreement to their organizations and others as appropriate for consideration and support.



**Mr. Bill Abadie**  
U.S. Army Corps of Engineers



**Ms. Nikola M. Smith**  
USDA Forest Service



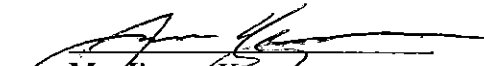
**Ms. Jane Bacchieri**  
Natural Resources Policy Advisor



**Mr. Kirk Jarvie**  
Oregon Department of State Lands




**Mr. Ken Bierly**  
Oregon Watershed Enhancement Board



**Mr. Jimmy Kagan**  
Institute for Natural Resources




**Mr. Mike Cafferata**  
Oregon Department of Forestry



**Mr. Mark Knaupp**  
Mud Slough Wetland Mitigation Bank



**Dr. Bobby Cochran**  
Willamette Partnership



**Dr. Sarah Kruse**  
Ecotrust



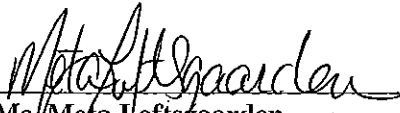
**Mr. Brett Brownscombe**  
The Freshwater Trust



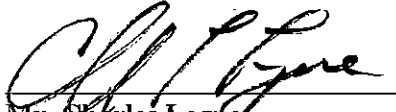
**Ms. Gina LaRocco**  
Defenders of Wildlife



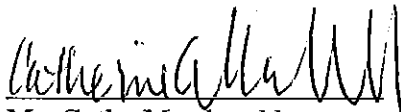
**Ms. Katherine Daniels**  
Oregon Department of Land Conservation  
& Development



**Ms. Meta Loftsgaarden**  
Natural Resources Conservation Service



**Mr. Charles Logie**  
Clean Water Services



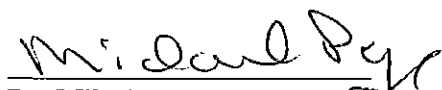
**Ms. Cathy Macdonald**  
The Nature Conservancy



**Mr. Mac Martin**  
Willamette Partnership



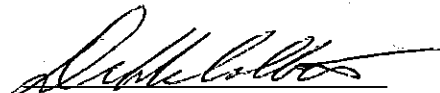
**Ms. Ranei Nomura**  
Oregon Department of Environmental Quality



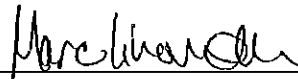
**Dr. Mike Pope**  
Oregon Department of Fish & Wildlife



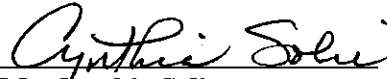
**Mr. David Primozech**  
Willamette Partnership



**Dr. Debbie Colbert**  
Oregon Department of Water Resources



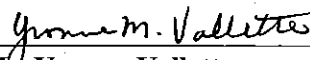
**Dr. Marc Liverman**  
National Marine Fisheries Service



**Ms. Cynthia Solie**  
Cascades West Council of Governments



**Ms. Diane Taniguchi-Dennis**  
City of Albany

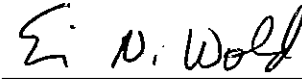


**Ms. Yvonne Vallette**  
U.S. EPA - Region 10



**Mr. Bill Warncke**  
Oregon Department of Transportation

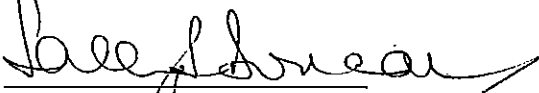
**Mr. Dave Wilkinson**  
Oregon Department of Agriculture



**Mr. Eric Wold**  
City of Eugene



**Mr. Joe Zisa**  
U.S. Fish & Wildlife Service



**Dr. Sally Duncan**  
Institute for Natural Resources

---

**Mr. Mike Reed**  
City of Portland



---

**Ms. Joni Shaffer**  
Willamette Partnership