

Partnership News Report



Special points of interest:

- **Effective, Credible, Efficient**
- **Focusing on Credit Types**
- **Ease of Use**
- **A Framework for Integrating Market Assurances**



Increasing the pace, scope, and effectiveness of conservation in the Willamette Basin

The Willamette Partnership has set up a Counting on the Environment [wiki page](#). The Wiki is a work in progress, so please check back regularly .

“Effective, Credible, Efficient”

Effectiveness, credibility, and efficiency are words you see and hear a lot while working with the Willamette Partnership. Certainly the Partnership as an organization aspires to such status, but they form the basis of what ecosystem services markets need if they’re going to work.

The Partnership makes a big deal about ensuring that markets are designed and implemented to be ecologically effective. That means that not just any old project, in any old place, will do. We’re working with stakeholders and regulators to make sure credit calculation methods, eligibility criteria, and performance standards are synchronized to get the ecological benefits we need. However, all the talk about ecological effectiveness doesn’t matter much if the public doesn’t trust that projects are real and performing their intended functions. Over the last several years, we’ve put a lot of time and effort into designing and testing the requirements of rigorous and transparent registration, verification, and tracking procedures to demonstrate projects and transactions are credible. Finally, none of the hard work to ensure effectiveness and credibility will matter at all if the system isn’t practical to implement. (continued on page 2)

- By David Primožich—Executive Director

“Focusing on Credit Types”

In the last issue, we presented some ideas for an Integrated Ecosystem Credit Calculator. Not only do we think an integrated credit calculator will increase ecological effectiveness it should also improve efficiency. On February 3, the Working Group for the Counting on the Environment project met and selected the following target currencies for such a calculator: wetlands, salmonids, prairie, and water quality (for temperature). Water quality for nutrients and sediment will be included on a pilot basis for the Tualatin River. The biggest questions that came up revolved around the concerns over “why not more,” “why didn’t we include carbon credits,” and “why no flow augmentation or floodplain restoration actions”? (continued on page 2)

By Bobby Cochran—Program Manager for Counting on the Environment

“Ease of Use”

If participation in these emerging markets isn’t practical, people won’t use them. Land managers looking to generate ecosystem service credits need a practical and efficient way to evaluate their property to see if it has the potential to deliver needed services—the first of many steps required to develop credits. This seemingly basic task demands a combination of spatial, ecological and regulatory data that must be harvested from multiple sources, and then tailored specifically to reflect site potential and landowner needs. The only way for all of this to happen efficiently is to automate and standardize the process for doing so as much as possible— (continued on page 3)

By Mac Martin—Water Resource Analyst



Oak savannah Restoration

“Effective, Credible, Efficient” (Continued)

Finding the balance between precision, certainty, and practicality is where a big chunk our work is focused right now. In the last month we made progress on credit accounting methods that will help the ecological integrity of credits. But as we’ve discussed in previous issues of the Partnership News Report, getting agreement on the score is only

one part of turning a calculation into a credit. As you will see from the other articles in this issue, we will be focusing a lot of our attention in the coming weeks on the range of assurance measures needed to guard against risk and uncertainty. We will also be focusing on the technology required to make participation in these emerging markets practi-

cal. Please take advantage of the various links in this issue to the reports being produced and posted on our website and the wiki to stay engaged.



Rock Creek

“Focusing on Credit Types” (Continued)

All of these are critically important and on the near-term priority list for future versions of the calculator, but the methodologies to calculate credits for these additional currencies were either missing or not in a form ready for agency approval. On the Counting on the Environment Wiki: <http://countingontheenvironment.pbwiki.com>, we will be

keeping a running log of comments like the ones above and our responses. We also have information that can be downloaded summarizing the February 3, 2008 meeting when these currencies were introduced, including meeting materials and documentation on the existing methods.

In the last week, the Willamette Partnership con-

vened focus groups of experts for each of these currency areas to refine, confirm and in some cases create the metrics to calculate credits and debits. The Prairie Group made progress in selecting indicators of prairie habitat condition and identifying some of the factors that lead to recovery of prairie species in the Willamette Valley. (continued on page 4)



Thistledown farms

“A Framework for Integrating Market Assurances”

By Bobby Cochran—Program Manager for Counting on the Environment

In spite of the best available science, it is *still difficult to say precisely* how ecosystems respond to the actions taken by people restoring ecosystems. As a result, every type of ecosystem market includes a package of, what is commonly called, assurances. Assurances seek to guarantee the environmental restoration actions completed to

offset the impacts of development deliver the benefits that they are designed to—compensating as much as possible for ecological uncertainty.

Uncertainty may be inherent in ecosystem markets. But it can be managed. In 2008, Heather Hosterman, working with The Nature Conservancy,

captured some ideas on assurances for the Willamette Partnership’s Practitioner’s Working Group. Many of the ideas in this article are taken from her [White Paper](#) available on the Partnership’s website. The Group identified several factors that lead to more or less risky credit projects or transactions. . (continued on page 3)

“A Framework for Integrating Market Assurances” (Continued)

These include the: quality of the original site (locally and for broader landscape); experience of the land-manager; timing of credits related to impacts; known effectiveness of development and conservation action; and long-term management (a plan, person in charge, and dedicated funds).

Markets use a variety of assurance tools to address sources of uncertainty and the risk factors described above. These tools include:

- Eligibility criteria for the impacts and benefits that are creditable and the trades that are appropriate;

- Verification rules for monitoring conditions on the site in relation to performance;
- Liability, trading ratios, and other forms of risk-management;
- Performance standards and credit release schedules; and
- Programmatic monitoring and adaptive management.

We have heard loud and clear from stakeholders that if we want to turn a credit calculation into a currency that can be traded, this package of assurances needs to be in place. In the next few months, the Partnership

will be working with stakeholders as part of its Counting on the Environment project to develop these assurances where they don't already exist, and integrating them across different markets where they do. We'll provide an update on recommendations and thoughts in future newsletters.



[*Click here to watch a video from OPB's Oregon Field Guide entitled "Wetland farming"*](#)

“Ease of Use” (Continued)

decreasing the time, money and individual expertise required to turn actions on the ground into credits on a registry. This is no small feat and new technology will be essential for accomplishing it.

Fortunately, there is a tremendous amount of national and local interest in seeing a marketplace for ecosystem services develop here in Oregon. Such markets, as hinted at above, involve complex institutional relationships, scientific analysis, and data management. The Willamette Partnership believes any

response to addressing this complexity will ultimately require new technology. Therefore, with a cadre of local and national firms, the Partnership embarked on an investigation into what software technology, when implemented, will provide a level of accessibility to keep a market for ecosystem services in the Willamette Basin humming with activity.

The immediate benefits of engaging software development firms early-on are obvious. Their expert will knowledge help us chart a practical path forward that accounts for the realities of

software development. The long-term benefits of this association are less clear, but even more exciting. These software development firms will be ideally-situated to develop complimentary tools that support the core-architecture of the market it when it is launched in the future. This will, in turn, lower the barriers for land managers and regulated entities to enter the market and better allow for it to generate the ecological benefits we want it to.



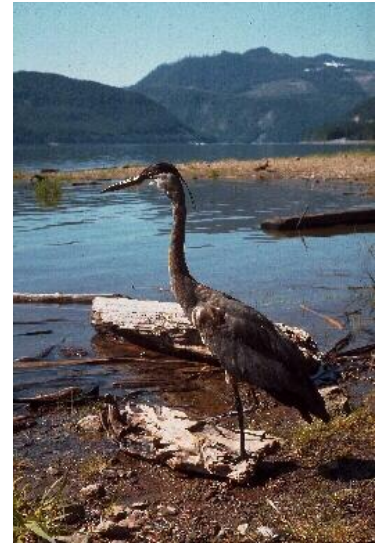
Willamette River, Eugene

“Focusing on Credit Types” (continued)

The Wetlands Group focused on how to move the Oregon Rapid Wetlands Assessment Protocol, a functions-based assessment method, into a form that can be used in crediting and debiting. The Water Quality Group honed-in how the Natural Resource Conservation Service’s Nutrient Trading Tool could be

adapted for Oregon. Lastly, the Salmonids Group focused on the contextual values that make one restoration project more valuable than another based on its location and the type of restoration action completed. All of these groups will contribute to a complete draft of an Integrated Ecosystem Credit Calculator that will be presented at

an April 17, 2009 meeting of the Counting on the Environment project’s Working Group. Documents, summaries and comments can be viewed on the Counting on the Environment Wiki page, so stay tuned!



Blue Heron, photo by USACE



History

The Willamette Partnership formed in 2004 to capture the momentum created upon completion of the Willamette Restoration Strategy. The Strategy articulated a vision for ecological health and economic vitality in the Willamette Basin and outlined critical actions needed to achieve success. Working with stakeholder leaders who developed the Strategy, the Partnership formed to accelerate needed innovation. One of these innovations is the establishment of an integrated ecosystem marketplace



To receive regular updates on the Partnerships progress, subscribe to our newsletter by going to www.willamettepartnership.org and signing up for wp-news