

Partnership News Report



Special points of interest:

- **In Search of “Smart Credits”**
- **Guest Article by Mark Krautmann “A Perspective on Resource Stewardship”**
- **Counting on the Environment Kick-off Workshop**



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

Governor Kulongoski sends a letter of support to Stakeholders for the Counting on the Environment project. He endorses this program as an important tool for protecting and restoring Oregon's environment. [Click here](#) to read the letter.

In Search of “Smart Credits”

Last week, the Willamette Partnership convened the first of five workshops intended to improve the way we count environmental benefits from restoration and stewardship. The notion of finding a way to create “smart” credits struck a cord when it was raised by one of the participants. There is agreement among people actively engaged in mitigation and offset programs in Oregon that credits people create or buy to mitigate unavoidable environmental impacts aren't very “smart.” Credits are legitimately performing to the specifications required, but methods used to count credits at mitigation sites don't reward broader ecological benefits created when the right stuff is restored in the in the right places—which everyone thinks would be pretty smart.

The Willamette Partnership wants to use markets to get more of the right kind of restoration happening in the right places. One way to do that is by working with people who participate in and regulate mitigation programs to create a system for counting “smart credits” — making it possible for producers and regulators to count and reward ecological benefits derived from restoration.

— *David Primožich, Executive Director*

“A Perspective on Resource Stewardship”

The evocative image of a family farmer making ends meet on 80-100 acres is a reality long past. Running an agricultural operation is complex. Doing it profitably while improving habitat for fish and wildlife is especially challenging. The demographics of agriculture are characterized by consolidated operations, aging owners, and an accelerating dependence on mechanization and genetic modification for productivity gains. A surprising number of farmers lease land from widows on 3-5 year revolving terms. In contrast to land they own, farm tenants have reduced motivation to invest in long term soil stewardship, let alone measures to improve wildlife habitat. Reduced economic incentives don't diminish

- *Mark Krautmann, President of Heritage Seedlings, Inc.
Willamette Partnership Board Member*

“Counting on the Environment Kick-off Workshop”

On November 20th and 21st, on the campus of Willamette University, the Willamette Partnership convened the first stakeholder meeting of “Counting on the Environment.” This grant-funded effort will establish a regulator-approved method for quantifying the environmental benefits of restoration activities in the Willamette Basin. This method represents a vital piece of infrastructure needed for operating an ecosystem service marketplace in the Basin. It also represents the focus of the Willamette Partnership's agenda for the oncoming



Willamette Valley Rural Landscape

“A Perspective on Resource Stewardship” Continued

the core motivation of growers to imaginatively practice land and wildlife husbandry. Almost all want to “do the right thing”. But current markets don’t effectively measure or compensate farmers for reducing soil erosion, leaving buffer strips or improving wildlife habitat. Who shares the cost if a grower chooses, *at reduced net profit*, to protect these basic

values on productive farmland?

Growers are extraordinarily efficient at managing a farm to support a family comfortably. Not well, just comfortably. We love what we do. But in addition to dated federal incentive programs, we need market-based stewardship support if we are to pass our farms to generations yet unborn

with greater productive capacity and habitat value.

The realities of farming require tough choices for aging owners and tenant farmers. We could and would do much more resource stewardship if market measures rewarded us for habitat protection that we cherish, but present farm markets not fully pay for.



Three Sisters

“Counting on the Environment Kick-off Workshop” Continued

Year. “Counting on the Environment” includes three major objectives: reaching agreement among regulatory agencies on a conceptual credit calculator, developing technology to make such a calculator real and then applying this technology to one or more pilot projects to show it works. At its core, a credit calculator takes physi-

cal indicators of environmental health and translates them into credits. During this professionally-facilitated first meeting of “Counting on the Environment,” representatives from twenty public agencies began by focusing on the ground rules needed for the effort ahead—establishing a shared understanding of the objectives

above and the means required to complete them. They then began a substantive debate about what a credit calculator should look like. Participants reviewed a set of selection criteria and then a set of existing credit calculation methods that assess the benefits of restoration actions. They then provided the Willamette



Independence Slough

“In Search of ‘Smart’ Credits” Continued

For several years, private and public entities have been working to develop new methods of counting ecological gains so restoration projects that yield greater value are rewarded. The trouble is not a lack of ideas about how to make credits smarter; it is sorting through the complexity of a

credit counting system that can be used within an existing regulatory structure. A structure that is not known for being flexible or nuanced. Much of the discussion during this first workshop for the Counting on the Environment project centered around getting agreement on a set of crite-

ria a credit accounting methodology would need to meet to pass the “smart” test and be practically implemented within existing regulatory programs.

This important step sets the stage for the bulk of the Partnership’s work in the coming months.

“Counting on the Environment Kick-off Workshop” Continued

Partnership’s staff with the direction needed to move on to consensus over which models that are most likely to be useful. It quickly grew apparent to all participants that the simplicity of the credit calculator concept belies how complex it is to develop. Agreement must be reached over which indicators to look at, how they are measured, how they are packaged into credits and many other things prior

to developing the technology necessary to apply it in the field. Fortunately, the Willamette Partnership has collected a group of people with the capacity to answer these questions and ensure that the final product fairly and transparently translates work on the ground to credits in a marketplace.

Participants exhibited a great deal of enthusiasm during the two days for the ideas in play and the process created by the

Partnership to address them. The Partnership and stakeholders of “Counting on the Environment” are all looking forward to the next year and, what will certainly continue to be, a spirited debate about how future environmental restoration gets done in the Willamette Basin.



Fishing on the Mackenzie River



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

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