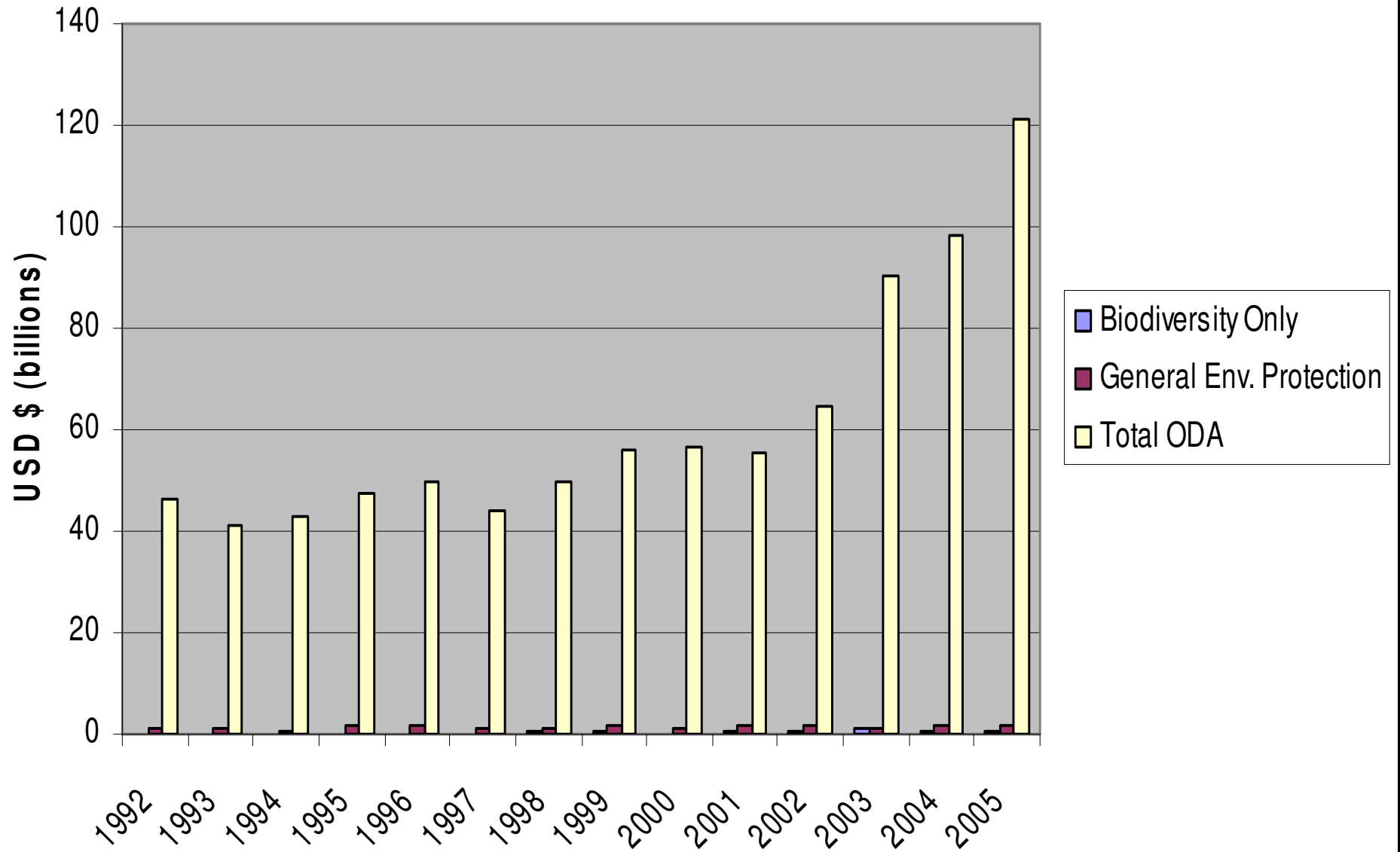




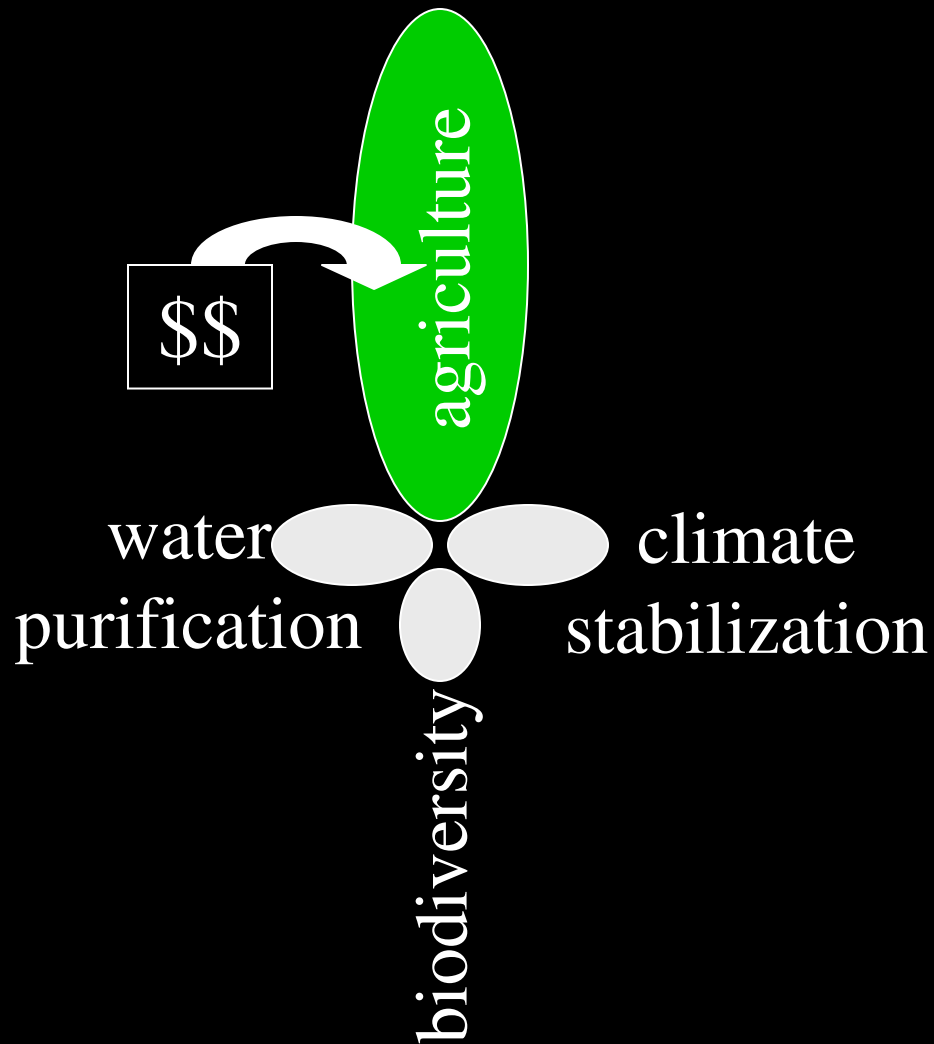
Ecosystem Services in Decisions

Gretchen C. Daily

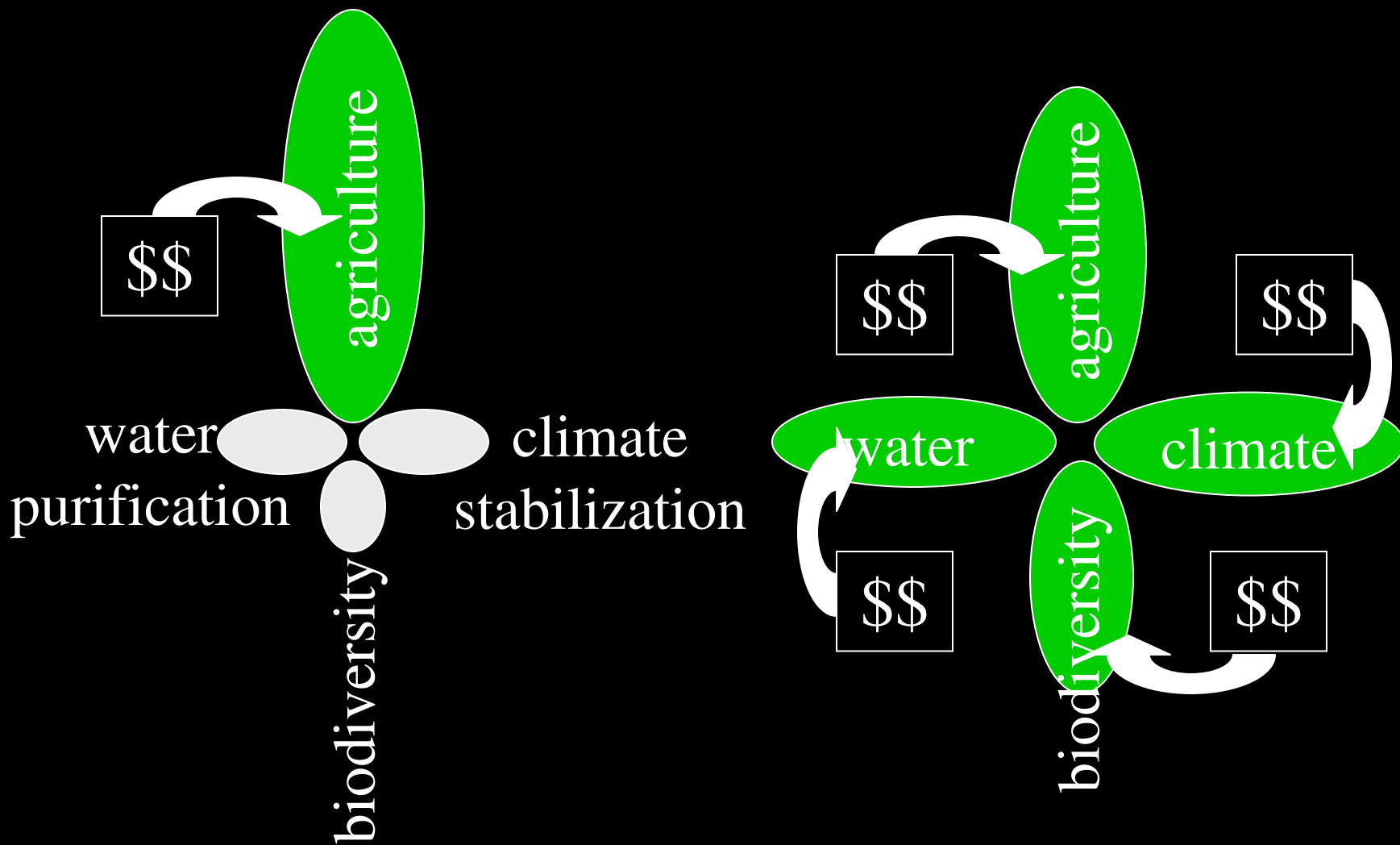
Overseas Development Assistance 1992-2005



A New Business Model



A New Business Model



The Economist

APRIL 23RD-29TH 2005

www.economist.com

Habemus Benedict XVI

PAGE 49

The China question

PAGES 12, 29 AND 41

The stockmarket's April stumble

PAGE 71

Republicans, Abe and Condi

LEXINGTON, PAGE 36

Rescuing environmentalism (and the planet)

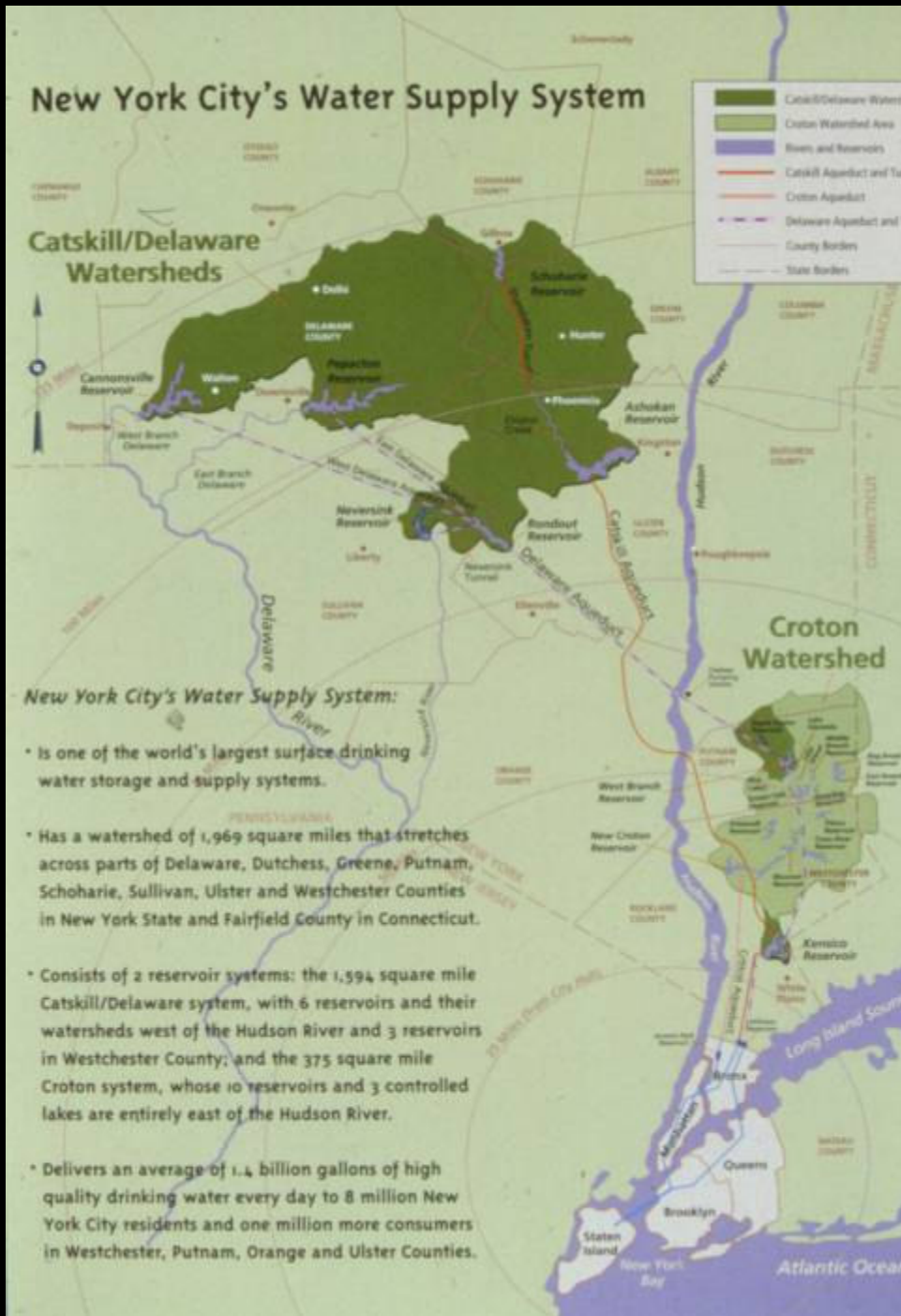


New York City's Water Supply System

Catskill/Delaware Watersheds

New York City's Water Supply System:

- Is one of the world's largest surface drinking water storage and supply systems.
- Has a watershed of 1,969 square miles that stretches across parts of Delaware, Dutchess, Greene, Putnam, Schoharie, Sullivan, Ulster and Westchester Counties in New York State and Fairfield County in Connecticut.
- Consists of 2 reservoir systems: the 1,394 square mile Catskill/Delaware system, with 6 reservoirs and their watersheds west of the Hudson River and 3 reservoirs in Westchester County; and the 375 square mile Croton system, whose 10 reservoirs and 3 controlled lakes are entirely east of the Hudson River.
- Delivers an average of 1.4 billion gallons of high quality drinking water every day to 8 million New York City residents and one million more consumers in Westchester, Putnam, Orange and Ulster Counties.





NYC ~ Water Purification

PHYSICAL CAPITAL

FILTRATION PLANT

US\$ 6-8 BILLION

NATURAL CAPITAL

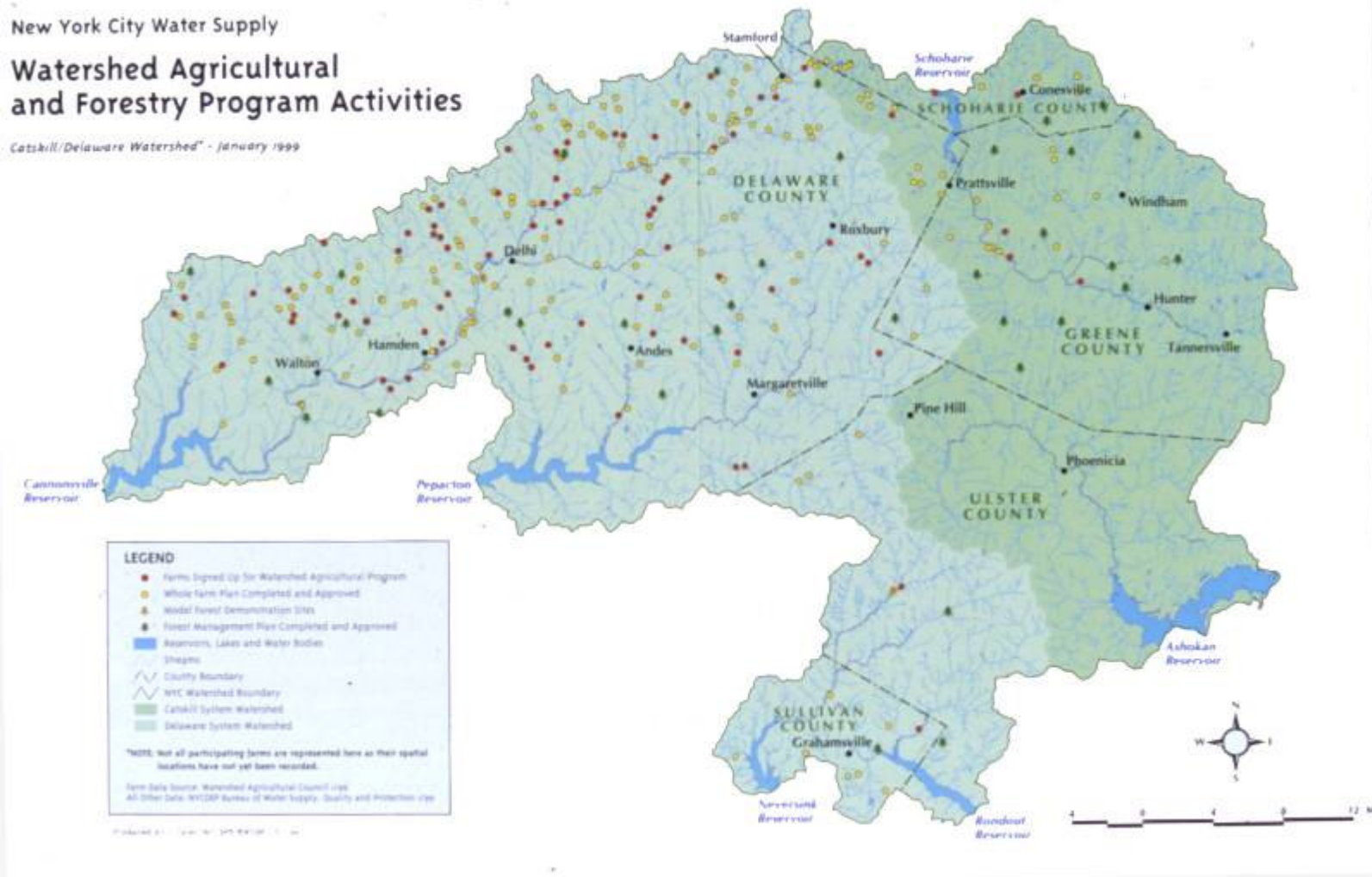
**RESTORATION OF
WATERSHED**

US\$ 1-1.5 BILLION

Investment in Natural Capital

New York City Water Supply Watershed Agricultural and Forestry Program Activities

Catskill/Delaware Watershed - January 1999



Investment in Natural Capital



Costa Rica

Payment for Ecosystem Services



Climate Stabilization
Water Purification
Biodiversity Resources

Scenic Beauty

US\$50 / ha-yr

The Challenge

*To make the ecosystem services
framework operational*

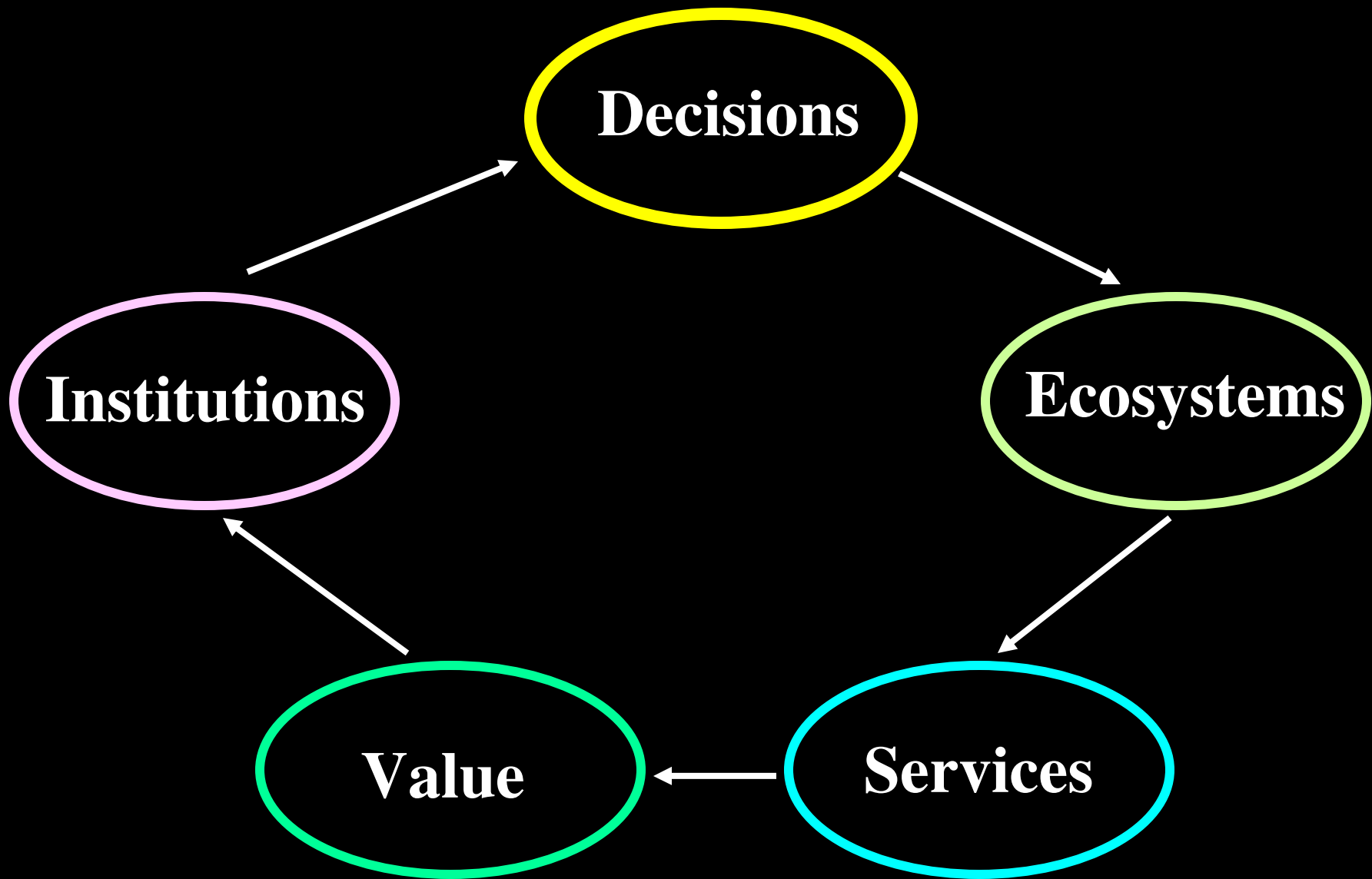
The Challenge

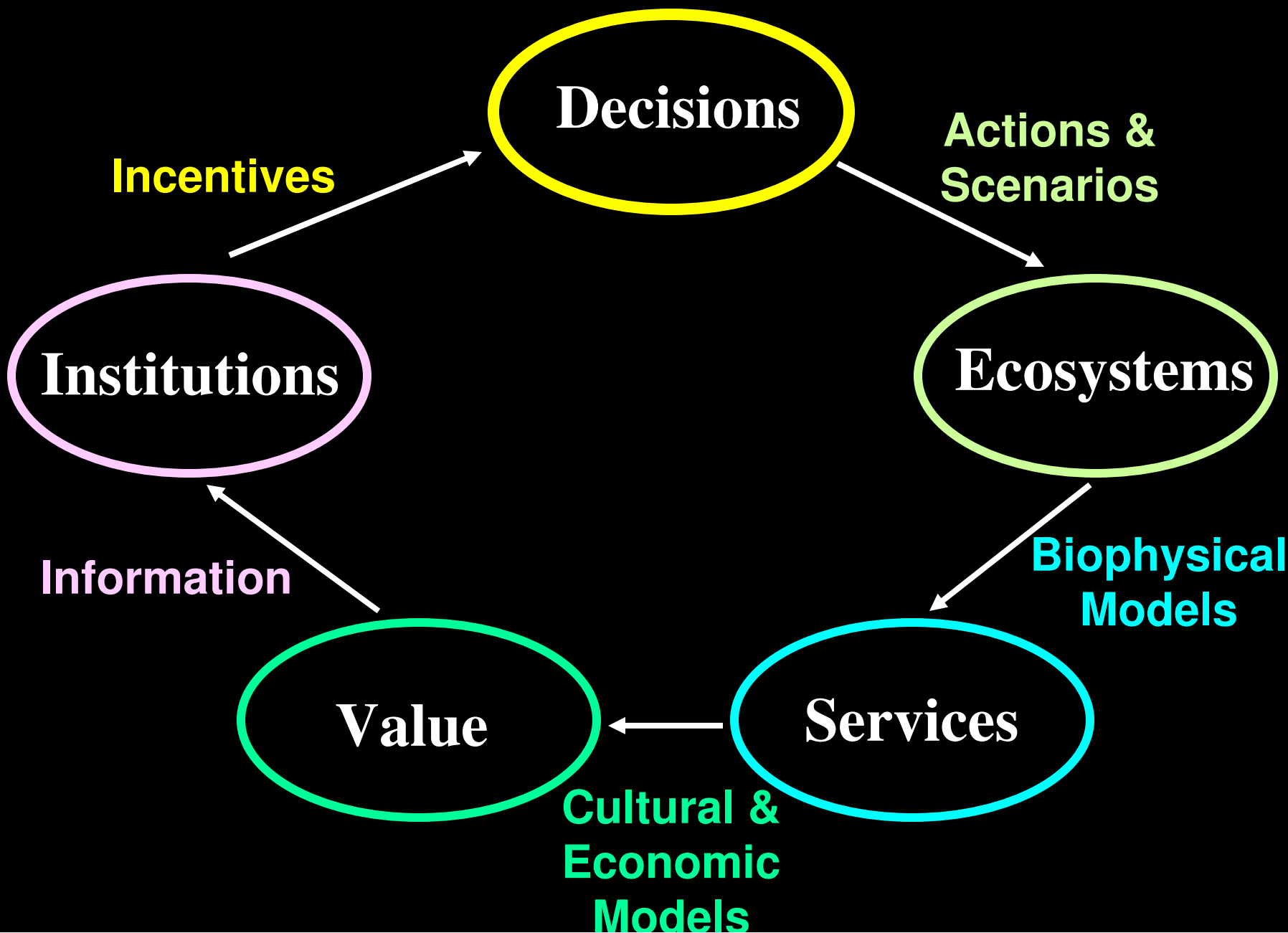
*To make the ecosystem services
framework operational*

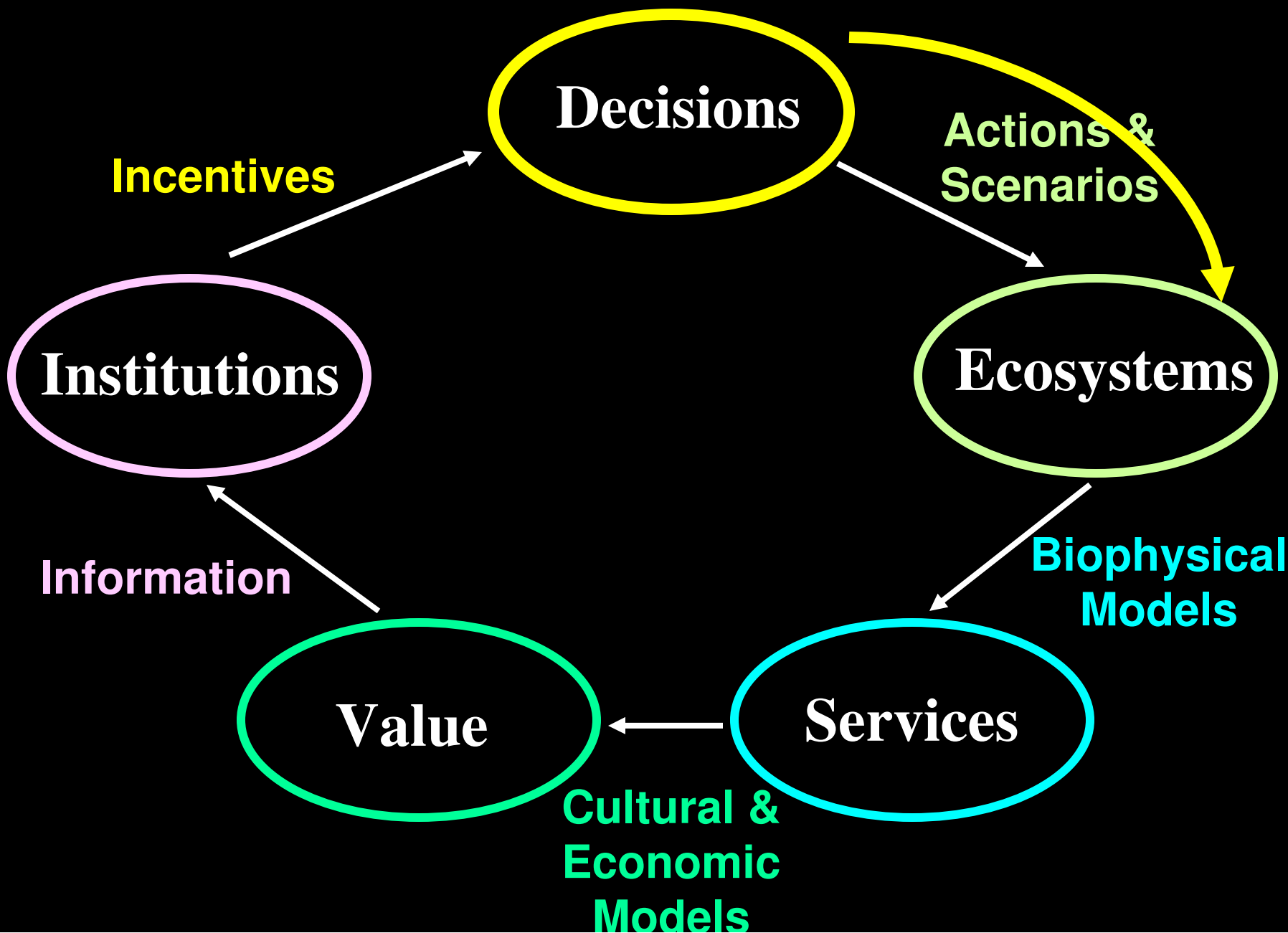
→ *replicable*

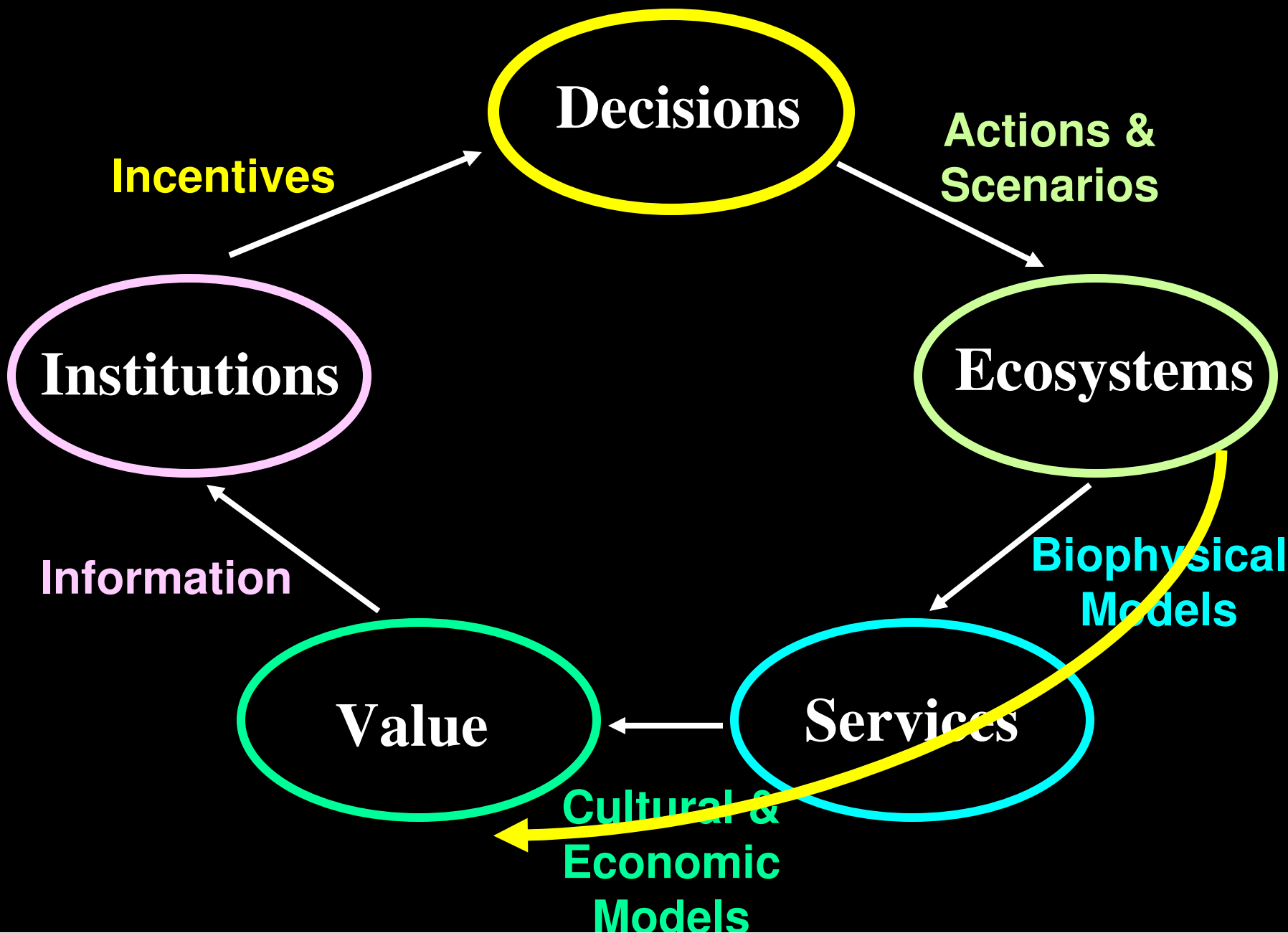
→ *scalable*

→ *sustainable*











1. Provisioning Services

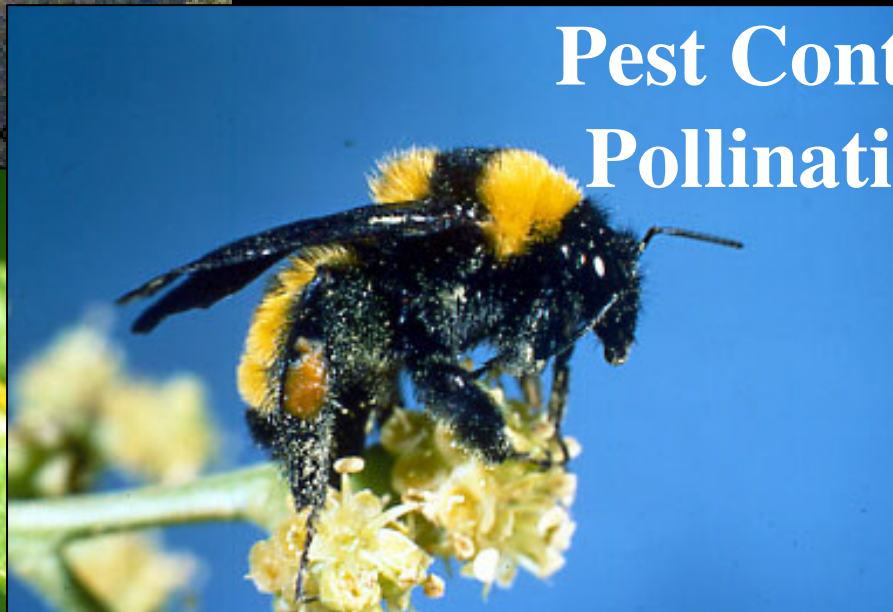
Seafood
Crops & Livestock
Forest Products



2. Regulating Services



Climate Stabilization
Water Supply
Fire Prevention
Flood Control
Sedimentation Control
Pest Control
Pollination



3. Cultural Services



Spiritual Values
Inspiration
Aesthetic Values
Knowledge Systems
Educational Values
Sense of Place
Recreation
Ecotourism

4. Supporting Services & Preservation of Options



Primary Production

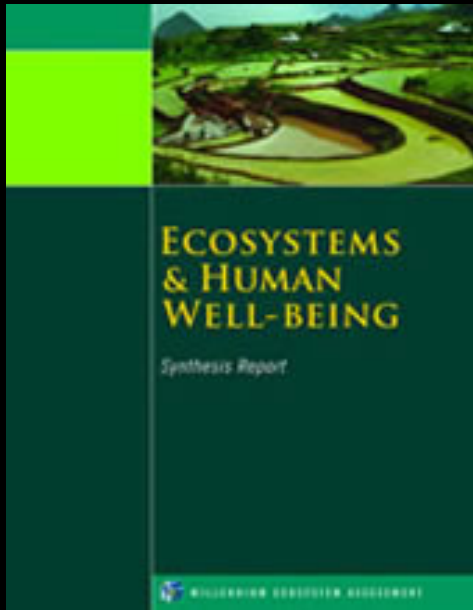
**Biodiversity
Resilience**





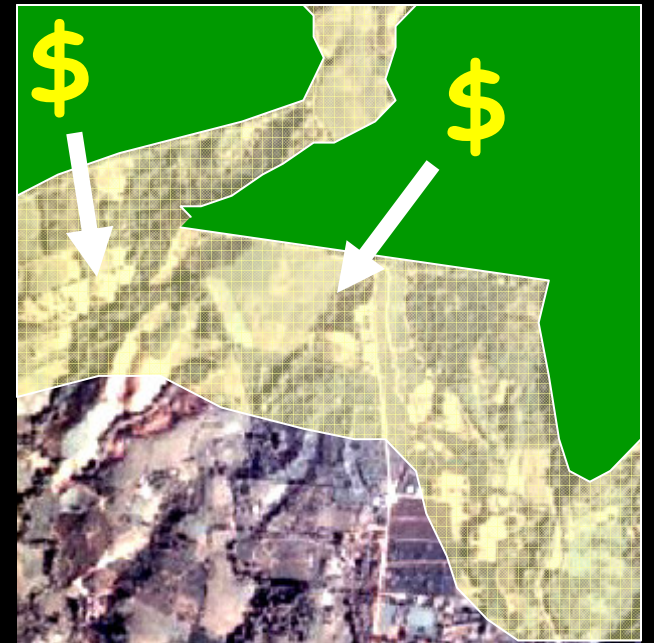
Montado

Valuing Ecosystem Services



*Global
Synthetic*

Valuing Ecosystem Services



*Local
Specific*

Value of rainforest:
US\$ 60,000/year
to 1 farm