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Payments for Hydrological Services in Africa



Least Active Continent

- Two initiatives operating (South Africa)
- Eight proposed (South Africa, Tanzania, Uganda, Kenya)
- With exception of South Africa, international donors and NGOs fund the scoping efforts.

Agenda Setters

- In S. Africa: national government and national NGOs.
- In institutionally weaker nations: international donors and NGOs.

Objectives

- **Water quantity and water quality
(sedimentation)**
- **Not typically bundled with other services**

Contractual Obligations

Rather than paying for intact ecosystem protection, most are paying for revegetation, removal of vegetation or change in agricultural practices (working lands).

Buyers

Most frequently government (representing water users), followed by donors/NGOs, and then private firms.

With exception of S. Africa, no supporting legislation to raise revenues from users. Even in S. Africa, the bulk of funds come from general tax revenues.

Sellers

Communities, landowners, and wage laborers
(some proposed projects calling for hybrid
payment schemes)

Institutional Setting

Few (if any) enabling legal, regulatory or administrative frameworks.

With exception of S. Africa, laws do not address rights and obligations of users and suppliers, nor do they provide for a clear allocation of institutional authority over water issues.

Government will be Involved

(1) Centralized nature of water delivery and management responsibility

(2) Public good nature of many hydrological services

Governance issues important.



South Africa: Working for Water Program

- Largest, best known and longest running program
- Debatable whether this is a PES program (public works program)
- Pays (employs) people to cut and remove invasive vegetation from river catchments
- 30,000 people paid (targeting to poor and marginalized)
- Payments mainly for actions on public lands



South Africa: Working for Water Program

- **Objective: Water quantity**
- **Science: Seems to support causal connection between action and service**
- **Administration: Centralized (Dept of Water Affairs and Forestry)**
- **Funding: General tax revenues (poverty program) and some water users (mines, municipalities).**

Why the Paucity of Payments for Hydrological Services in Africa?

- Information constraints?



Theme 2: Water and People in catchments
Enabling efficient and equitable water use

Catalyzing Payments for Ecosystem Services in Africa: A Meeting of the East & Southern Africa Katoomba Group
Nov. 8-10, 2006 Cape Town, S. Africa



SAVE THE DATE

Catalyzing PES in Africa: Planning for 2007 and Beyond
Katoomba Group Workshop

8-10 November, 2006
Cape Town, South Africa



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- Information constraints?
- Ideological opposition?
- Hydrology different?



Why the Paucity of Payments for Hydrological Services in Africa?

- Information constraints?
- Ideological opposition?
- Hydrology different?
- Lack of demand?
- Institutionally weaker or more complex?



Why spend scarce conservation and development research funds to scope opportunities for African PES schemes aimed at securing hydrological services?

