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| Template 4B. Associate the instruments (existing or new) with the opportunities identified in task 3C (Example Puerto Carreño, Colombia) |
| ES Opportunity (from task 3C) | **Proposal for instrument (existing or new)** |
| SUSTAINABLE CATTLE PRODUCTION SYSTEMS: Supporting cattle farmers to implement systems that increase productivity while protecting biodiversity and the provision of other benefits from native savannas (e.g. water filtration for aquifer recharge).Practices in such systems include maintenance or extension of native savanna areas, establishment of silvo-pastoral systems adapted to savanna conditions (e.g. fodder suitable for the savanna). Support for cattle farmers would consist of technical assistance, provision of financial resources (PSE, credits), environmental education, and support to projects, among other.  | **Payments for Ecosystem Services - PES**Voluntary agreements between the beneficiaries of ES and ES the stewards. The payment could be based on opportunity costs. Measures paid for include conservation and restoration (inclusive silvo-pastoral and agroforestry systems). Decree 870/2017 establishes PES elements and other conservation incentives. Decree 1007/2018 establishes general components for the design and implementation of PES projects.**ICR- Rural Capitalization Incentive:** * Credit to encourage sustainable productive activities, including silvo-pastoral systems.
* Economic benefits granted to implement a new investment project, in order to improve the competitiveness and sustainability of agricultural production and to reduce its risks in an enduring way (Minagricultura-Finagro).

 ICR Plan Colombia Siembra (ej. Silvo-pastoral systems)**CIF- Incentive to Forestry Plantation** - Based on recognizing 50% of the costs of establishing a (native) forest plantation.  |
| **Reasons in favor (of the opportunity and/or the instrument)** | **Risks and challenges (of the opportunity and/or the instrument)** |
| * Extensive cattle raising is the economic activity in the intervention sites that allows the most harmonious development with the savanna ecosystem (compared to other types of activities: e.g. oil palm, forestry production, cocoa, among others).
* This activity is associated with cultural values (“cultura llanera” ranger culture), which can contribute to the development of other activities such as agro-tourism.
 | * Adequate cattle ranching practices for the savanna need to be determined, in order to ensure the conservation of savanna ecosystems.
* Need to examine the PSA law requirements of the areas that are subject to the PSA. E.g. if they are classified under the Single Register of Strategic Ecosystems and Environmental Areas.
* Need to examine with experts the possibility to combine PES with other incentives from the Ministry of Agriculture.
* Challenges related to the design and implementation of PES: determination of PES scheme management, financial sustainability over time, monitoring of practices paid for.
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