

## **Building a Multi-credit Ecosystem Marketplace in Oregon**

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Oregon stakeholders have been working for several years to develop a multi-credit marketplace in which ecosystem services will be bought and sold. The initiative began in the Willamette Basin when the Willamette Partnership began looking for ways to expand the pace, scope and effectiveness of conservation in the region. It later expanded to include all of Oregon and beyond, as it became obvious that in order to be efficient, the infrastructure necessary to support a market needed to be larger. A mechanism to tap resources from the private sector for conservation is necessary because existing programs, including direct land protection and regulation, are failing to meet ecological goals. They tend to be unevenly applied and geographically scattered. An effective ecosystem marketplace will have several essential characteristics. 1) It will be ecologically effective, which implies clear goals and monitoring to ensure that goals are being met. 2) A market needs to address multiple values, since single purpose markets are too thin to be ecologically or economically viable, and could work at cross-purposes. 3) Market rules need to reward strategic investment at a landscape scale based on shared conservation priorities. 4) In order to maintain public support, the market transactions must be transparent and credible. 5) Ecosystem markets must be easily accessible to buyers and sellers to minimize transaction costs. This also requires balancing precision and practicality in measuring ecosystem services. A number of policy issues arise when developing ecosystem markets including the role of government and the private sector, specific agency authorities, and how to encourage and reward innovative actions by government employees. Next steps in Oregon include continued efforts to develop shared conservation priorities to facilitate strategic investment, legislation to enable and encourage market development, work on standardized metrics for ecosystem services, and the development of a voluntary market as proof of concept.