Payments for ecosystem services need to consider the idiosyncratic nature of groups

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Payments for Ecosystem Services (PES)

Climate crisis and ecological emergency call for effective institutions that provide economic incentives for conservation (Hagedorn et al 2019, Science)

PES are incentive-based policies that allow beneficiaries from ES to make monetary transfers to ES providers, generating economic incentives for conservation

Most PES geared towards individual resource users (farmers, forest owners)

Scope for wider applicability of **group PES** (common property of land, network externalities, weak individual monitoring, etc.)

Group Payments for Ecosystem Services (PES)

Can group PES be designed to promote effective ES provision?

Challenges associated to the strategic nature of group provision of ES include fear of demotivating conservation action: free-riding & crowding-out

Advantages of group payments: lower transaction costs and applicability to new settings

Evidence that PES design is a complex task and previous evidence based on lab experimental evidence suggest limited success of group PES

→ Need to better understand the effect of institutional attributes on group PES

→ Need for field experimental evidence (pilot studies, case studies, RCT): Can groups do better in the field than what we expect?

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