

**INVESTING IN THINGS THAT MATTER-
GETTING WHAT YOU PAY FOR**



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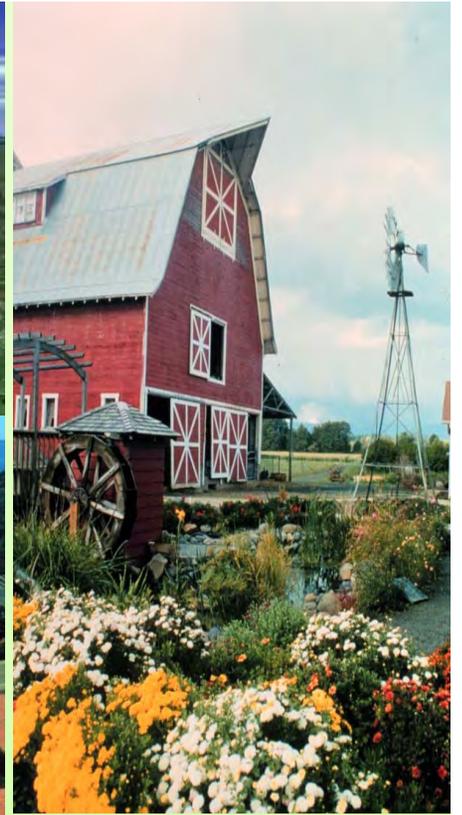
What's the Partnership working for?

- Strategic investment in things that matter
- A fair and transparent way for people to buy and sell the benefits of restoration
- Rules and tools that make restoring things that matter a practical business decision for private land managers



Starting Points

- If ecosystems work better, it will be less expensive and more enjoyable to live here
- Stopping additional bad stuff isn't enough. We need to motivate restoration of things we've lost
- Regulatory controls are inequitable
- Need to engage private land managers and entrepreneurs in new ways.













Grey Infrastructure

Cooling Towers

Compliance Achieved

Cost - \$60 Million

Ecological Value

Not Much



Green Infrastructure

Restore 35 miles of streams

Compliance Achieved

Cost - \$10 Million

Ecological Value

HUGE

















What actions have what impacts/benefits

$$V_j^i = - \sum_{t=0}^{\infty} \frac{A_j u_{ij}}{(1 + \delta)^t} = - \frac{A_j u_{ij} (1 + \delta)}{\delta}$$

$$V_j^i = \sum_{t=0}^{\infty} \frac{A_j (p_j^i y_j^i - c_j^i)}{(1 + \delta)^t} = \frac{A_j (p_j^i y_j^i - c_j^i) (1 + \delta)}{\delta}$$

$$V_j^s = \sum_{t=0}^{\infty} \frac{A_j (p_j^s y_j^s(\tau, f_j) - r^f(\tau))}{\tau (1 + \delta)^t} = \frac{A_j (p_j^s y_j^s(\tau, f_j) - r^f(\tau)) (1 + \delta)}{\tau \delta}. \quad (11)$$

$$^1 \sum_{n_s=1}^{N_s} \sum_{m_s=1}^{N_s} e^0 Z_{sm_s} = \sum_{n_s=1}^{N_s} \sum_{m_s=1}^{N_s} Z_{sm_s} = \sum_{n_s=1}^{N_s} Z_{Max_s} = N_s Z_{Max_s}.$$

$$D_s = \frac{\left(\sum_{n_s=1}^{N_s} \sum_{m_s=1}^{N_s} \exp(-\alpha_s d_{m_s n_s}) Z_{sm_s} \right)}{N_s Z_{Max_s}},$$



Points of Entry Matter?

- **Effective** - Technically sound ways to count and reward restoration that matters
- **Credible** – Transparent registration, verification, tracking, and reporting on serialized projects and credits
- **Practical** - Rules and tools that balance desire for precision with need for practicality –
- **Committed** - enough confidence in the rules of the game that private entrepreneurial innovators will act

Transaction Process

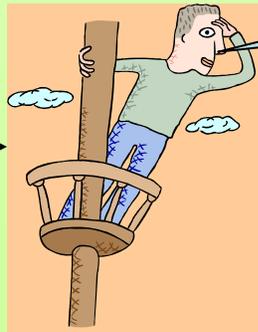
Reduce your impacts please



Regulator



Buyer



Buyer's agent

Where can I buy credits?

Of course. I can do some myself and I'll look to the market for the rest

Kral Property - Design Alternative Map Units

Credit Process

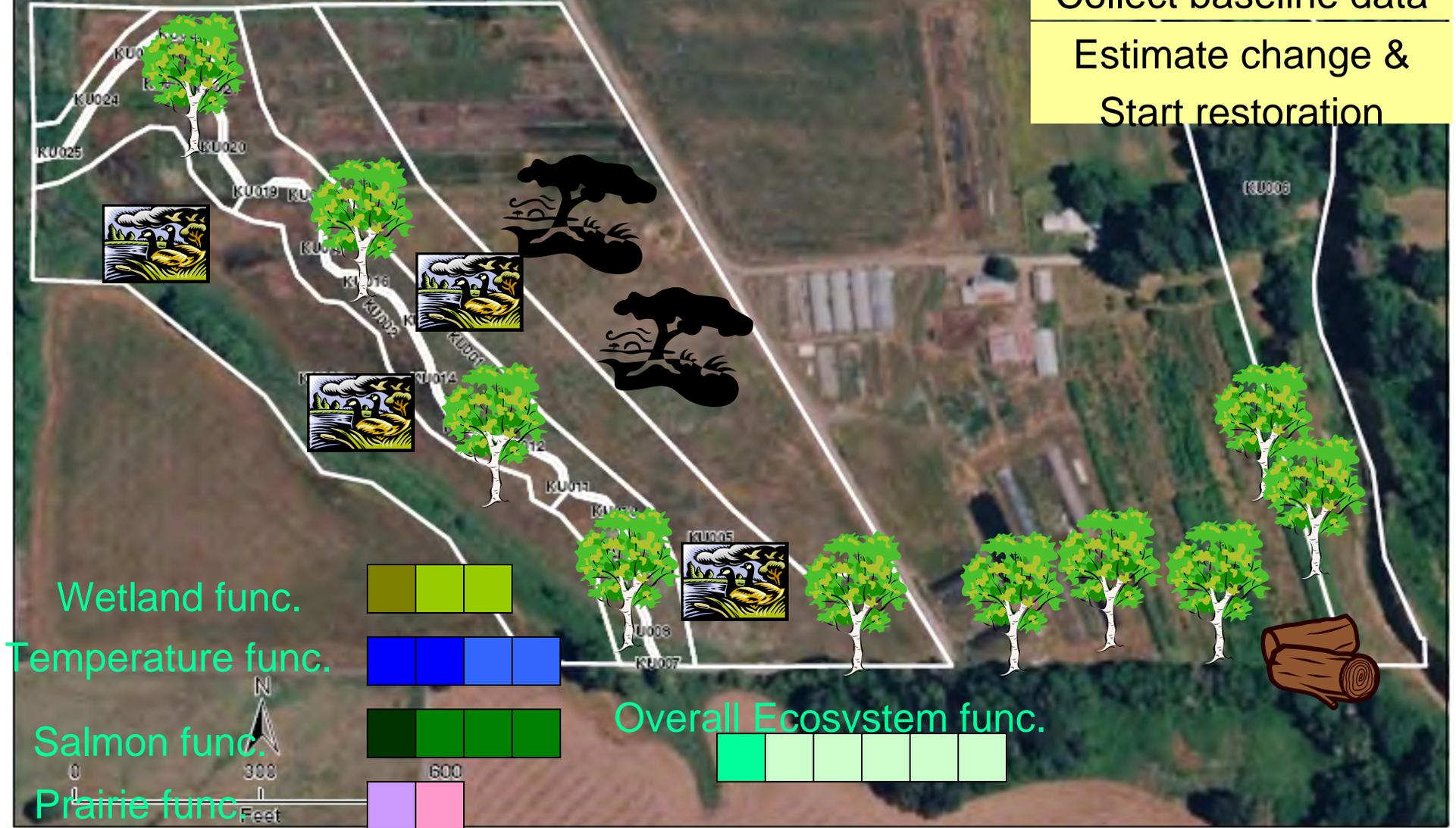
Determine eligibility

Define project

Collect baseline data

Estimate change &

Start restoration



You have 10 credits of premium quality

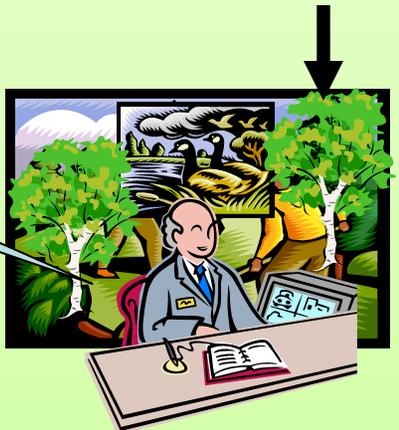


Seller



Credits are registered, ready to sell

Verifier



Registry

Where can I sell credits?

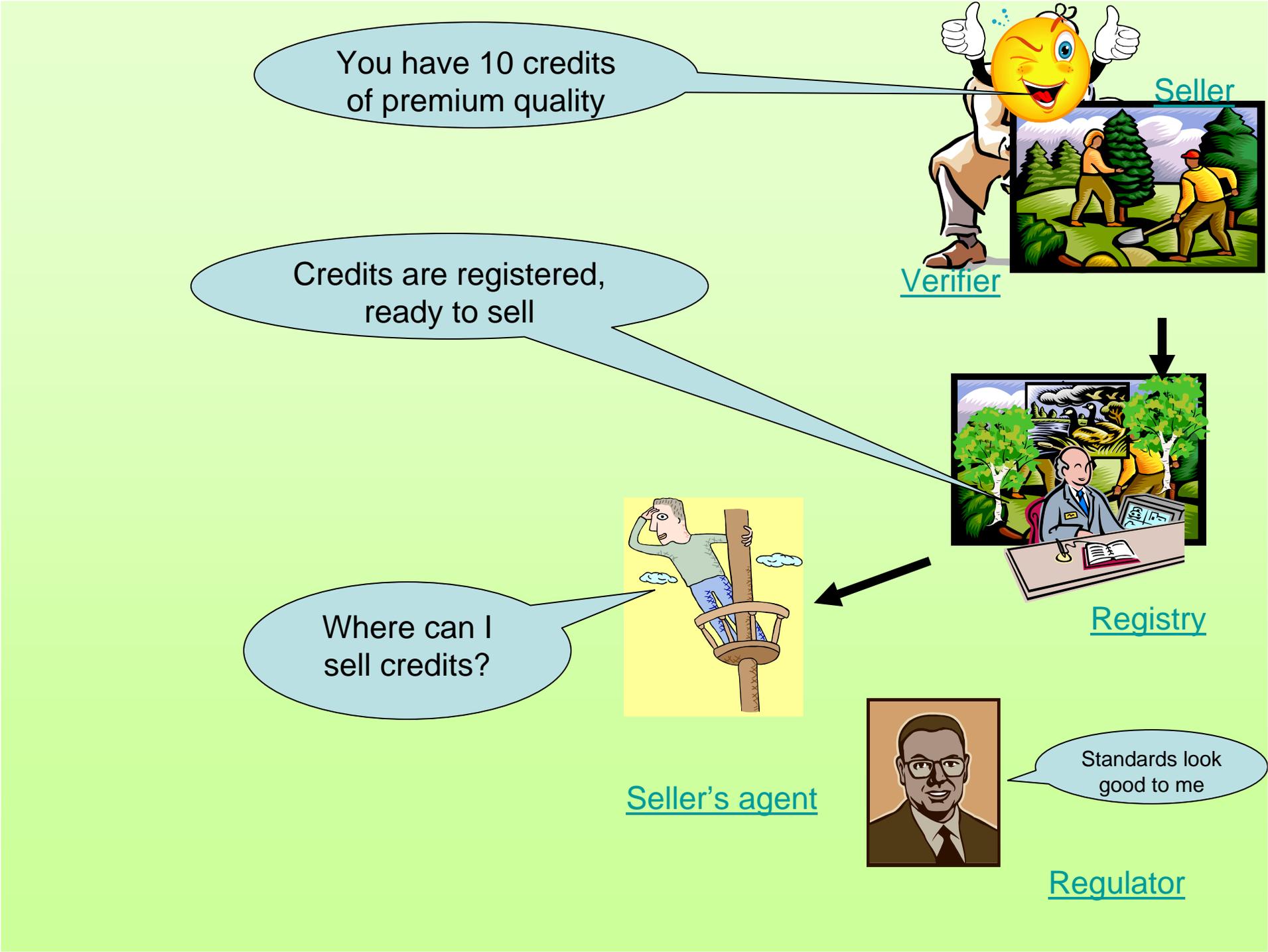


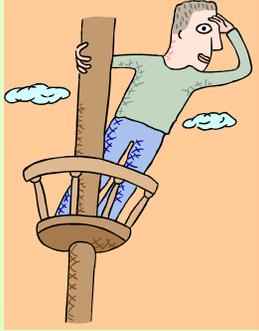
Seller's agent



Regulator

Standards look good to me





Buyer's agent



Seller's agent

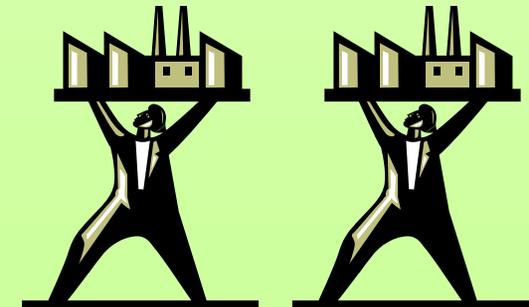
Centralized Credit Registry



Exchanges



One-off-deals



Plant to Plant Trades



Moving Forward

- Think about what the ecosystem needs first , think about alternatives for compliance second
- Make it real now - make it perfect later
- Don't fix one ecological problem while exacerbating another
- Pay attention to public perception of a fair deal