



Final Agenda

Developing an Infrastructure Fund for the Planet Private Katoomba Meeting

How to Design and Implement Market Mechanisms to Improve Water Quality Throughout the Chesapeake Bay Watershed

The Aspen Institute Wye River Conference Center
June 11-12, 2008

Goal: Building from the market-oriented themes from the public Katoomba sessions in DC, catalyze new thinking around the suite of market-based tools available to build a sustainable funding stream in order to achieve and maintain pollution reduction goals across the Chesapeake Bay Watershed.

Meeting Objectives:

1. To learn about and discuss lessons learned from both compliant and voluntary market approaches to environmental quality;
2. To discuss obstacles and opportunities for applying these approaches to a robust voluntary market for water quality in the Bay watershed;
3. To draft a *plan of action and next steps* for implementing select market-based tools, including a Chesapeake Clean Water Fund to address water quality in the Bay watershed. The Fund will leverage private dollars to invest in high-impact projects, those in areas that have the highest pollution loads throughout the watershed.

WEDNESDAY JUNE 11, 2008

8:00 am	Katoomba-DC participants depart. <i>(Bus transportation from Hotel Lombardy to Aspen Wye River Conference Center, Wye Woods)</i>
9:30 – 10:00 am	Meeting Registration. <i>(Wye Woods)</i>
10:00 – 10:10 am	Welcome and setting the context for the Discussion. <i>Michael Jenkins, Forest Trends</i> <i>David Monsma, Aspen Institute</i>
10:10-10:30 am	State of water quality in the Bay. A brief reality check on the history of WQ improvement efforts including dollars invested, legal authority and the need for better coordination/integration of existing regulatory mechanisms, political will, need for coordinated communication/outreach strategy across the Bay watershed, WQ standards and the need for new and sustainable funding sources and the role of private investment. Why market-based approaches in the Bay and why now? <i>William C. Baker, Chesapeake Bay Foundation</i>

- 10:30 – 10:50 **Payment for Ecosystem Services (PES) markets and market-like instruments.** Utilizing the market to affect positive outcomes. Defining and categorizing market-based activities in a water context and the components that make them work (supply and demand).
Ricardo Bayon, EKO Asset Management Partners
- 11:50 – 11:10 **The state of water quality cap & trade programs.** Summary of WRI's Survey of WQ Trading Programs highlighting the activities in the Bay region (MD, VA, PA). Key issue: How to mainstream the value and cost associated with establishing market mechanisms such as a voluntary water market in the Bay? How to link market-based approaches to existing regulatory programs? *Dan Nees, WRI*
- 11:10 – 12:30 noon **Environmental markets.** How to create demand: Lessons learned from existing market-based programs and adaptability for water markets.
Discussion moderated by Beth McGee, Chesapeake Bay Foundation
1. Voluntary certification programs: What makes them work?
 - Green Building (LEED) Certification, *Bettina von Hagen, EcoTrust*
 - Supplier Certification Programs, *Tom Simpson, University of Maryland*
 2. How to create and sell carbon neutrality or offsets: How and why it works. *Kate Hamilton, Ecosystem Marketplace*
 3. Market-based models from around the globe:
 - Latin America, *Marta Echavarria, EcoDecision*
 - Africa, *Christo Marais, Working for Water, South Africa*
- 12:30 – 2:15 pm **Working lunch (Main dining room, Wye Woods)**
- Market architecture and design.** Standards, certification, registries, exchanges, aggregators: Components of environmental/water markets in the Chesapeake Bay. *Discussion moderated by Jack Greer, Maryland Sea Grant Program*
- Wetlands Banking Model, *Steve Morgan, Wildlands, Inc.*
 - Credit Aggregators- *Peter Hughes, Red Barn Trading*
 - The Green Exchange, *Brad Leach, NY Mercantile Exchange*
 - Credit Registries, *Joe Kerecman, APX Environmental Registry*
 - Reverse Auctions, *Mindy Selman, WRI*
- 2:30 – 4:00 **Building a market for the Chesapeake Bay watershed.** Generating private investment: New ideas for using market-based approaches to improve water quality.
Discussion moderated by , Meridian Institute
- Chesapeake Clean Water Fund (Ricardo Bayon)
 - Supplier Certification Program (Tom Simpson)
 - Eco Branding – the case of Organic Milk (Suzy Friedman)
 - The Bay Bank initiative (Eric Sprague)
 - Credit Insurance (George Kelly)

4:00 – 4:45	Hotel check in. <i>(Participants pick room keys in lobby of Wye Woods)</i>
4:45 – 7:00	Guided boating excursion on the Bay. <i>(Chesapeake Bay Foundation Staff) Depart from Dock at the River House.</i>
7:00 – 7:30	Cocktails <i>(TBD-depending on weather)</i>
7:30 pm	Dinner <i>(Main dining room, Wye Woods)</i>
8:30 pm	The promise and curse of the market. <i>Discussion moderated by Ricardo Bayon.</i> <ul style="list-style-type: none"> • Mark Kieser, Kieser and Associates • Brooks Smith, Hunton & Williams • Dana York, NRCS • Nels Johnson, TNC • Jack Tarburton, Perdue Farms, • Charlie Evans, Developer

THURSDAY, JUNE 12, 2008

***NOTE: Check out time is 11:00 am. We encourage you to check-out before the first session begins. Luggage may be stored in the main lobby area of Wye Woods.*

8:00 am	Breakfast <i>(Main dining room-Wye Woods)</i>
9:00 – 9:20	Recap of Day 1 and setting the agenda for the day. <i>(Ricardo Bayon & Michael Jenkins)</i>
9:20 – 12:00	<p>Moving forward in the Bay. The morning will be devoted to developing a road map and building consensus on how to move forward with implementing select market-based tools for improving water quality in Chesapeake Bay. By focusing on the initiatives outlined on Day 1, participants will explore how those initiatives can contribute to improved water quality in the Bay watershed and how they relate to one another.</p> <p>Small group activity. Participants will be assigned to one of five small groups that will address one of the initiatives listed below. The task for each group will be to develop a business plan for a fully functioning market-based scheme focused on improving water quality across the Bay. Each group will be asked to prepare a five minute sales pitch for their proposal, as if pitching the idea to venture capital (VC) investors. Each group will select a spokesperson to make the pitch to the entire group in the afternoon. <i>(Ricardo Bayon to give an overview and example of a VC pitch.)</i></p>

Menu of Initiatives:

1. The Chesapeake Clean Water Fund
2. Market-driven Supplier Certification Program
3. The Bay Bank Initiative
4. Credit Insurance
5. Eco Branding

12:00 – 1: 00 pm	Lunch (<i>Main dining room, Wye Woods</i>)
1:00 – 2:00	Small groups present proposals. Spokesperson for each small group will deliver five minute sales pitch to entire group followed by brief Q &A. <i>Facilitated by Laura Cantral, Meridian Institute</i>
2:00 – 2:30	Break
2:30 – 4:30	Large group discussion of proposals. Participants will discuss the results small group proposals to identify potential opportunities and obstacles they offer. Intended outcome of the discussion is to develop a road map, action plans and next steps for moving toward implementation of market-based mechanisms for improving water quality in the Chesapeake Bay watershed. The <i>Forum on Water Markets</i> will be highlighted as a platform for sharing ideas and staying in touch. <i>Facilitated by Laura Cantral, Meridian Institute</i>
4:30 – 5:00	Wrap up and adjourn
5:15	Bus transport back to Hotel Lombardy in DC (Depart from Wye Woods)
