Pasture and cropland occupy 50 percent of the Earth's habitable land. In addition to producing food and fiber, farmers and ranchers can produce a host of environmental services increasingly valued by the public---clean air and water, wildlife habitat, carbon sequestration, landscape amenities and open space to name a few. The array of state and Federal programs being implemented to provide incentives to increase conservation practices on agriculture lands is producing mixed results. In an effort to increase cost effectiveness and the provision of these desired services numerous efforts are underway to design and implement Pay-for-Environmental Services (PES) programs. These market- or quasi-market based approaches seek to provide incentives to farmers and ranchers for the provision of specific environmental services

An example of such an effort is the Florida Ranchlands Environmental Services Project (FRESP) a 5 year pilot project launched in 2005 and being implemented by collaboration between South Florida cattle ranchers, Florida state agencies, USDA NRCS, researchers, and environmental groups. If successful the PES program will allow ranchers to compete to provide environmental services of water storage, phosphorus retention and wetland habitat enhancement in the Northern Everglades ecosystem. Among the key challenges FRESP is addressing include defining the desired environmental service (or "commodity"); developing metrics for measuring the service provided; technical assistance to producers for the new services, and the reconciliation of state and federal programs. Lessons learned revolve around identifying the needs of the buyer and seller; the importance of diverse stakeholders; reducing transactions costs; and securing long term funding.