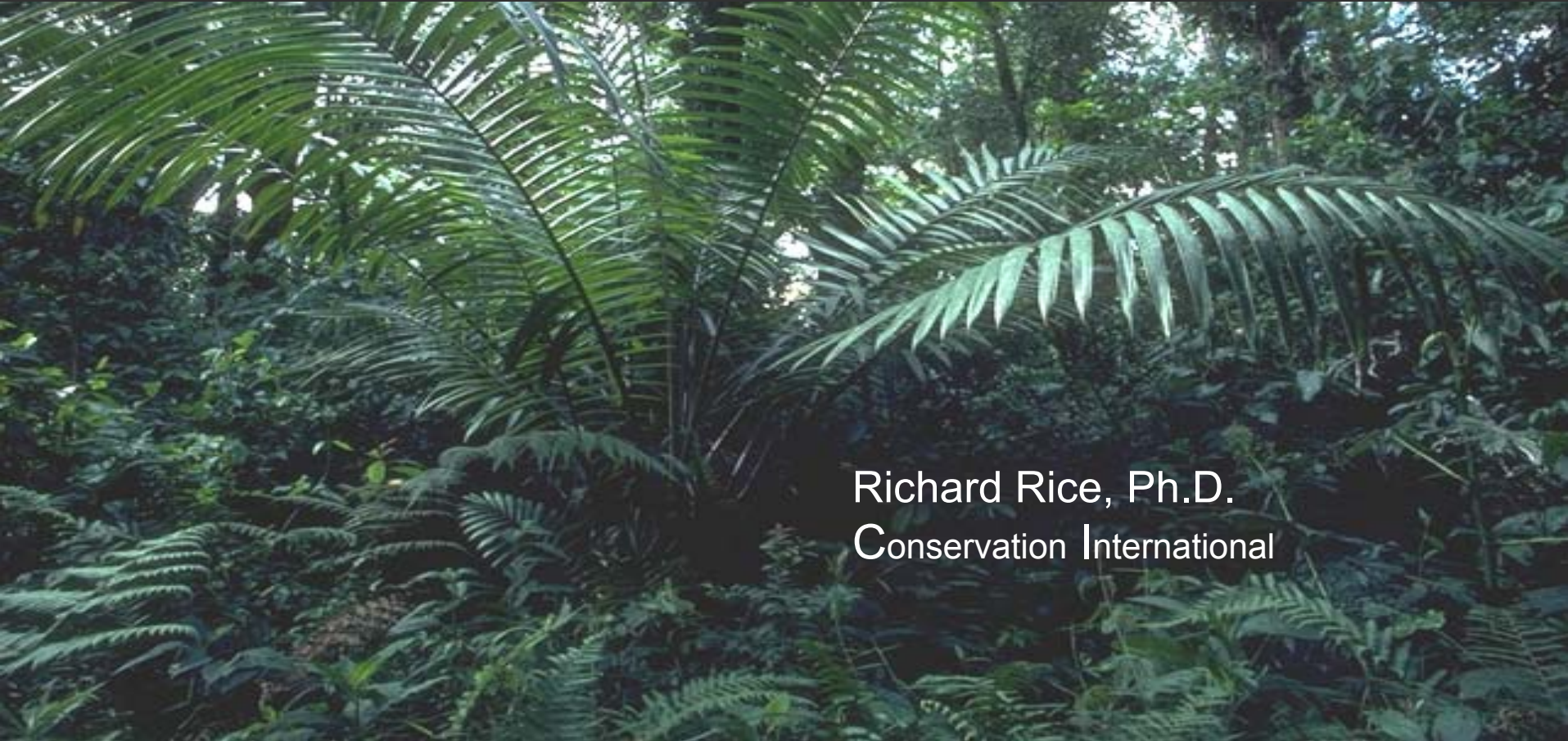


# Conservation Incentive Agreements

An alternative to traditional forest management in the tropics

---

CIRAD, Montpellier, France October 19, 2004



Richard Rice, Ph.D.  
Conservation International

# What is a Conservation Incentive Agreement?

---



A “conservation incentive agreement” is a mean to compensate local resource owners and users for conservation.



# How does a Conservation Incentive Agreement Function?

---

- Establish conservation agreement with government and communities
- Compensate resource owners for any forgone revenue
- Engage community in management, including long-term employment



# Conservation Incentive Agreement Advantages

---

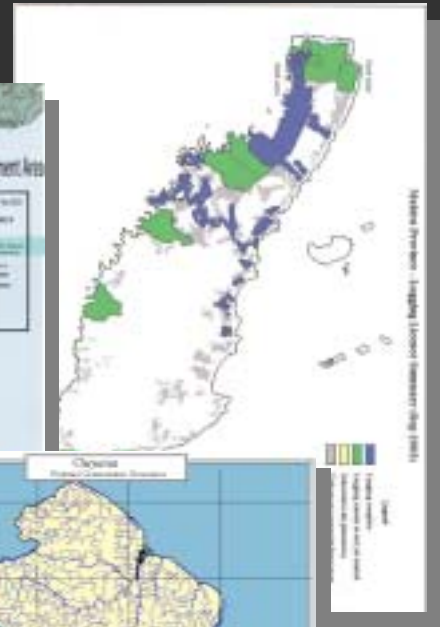
- Financial incentive
- Dependable funding
- Performance metrics
- Market mechanism



# Pilot Studies

---

- Objective: test incentive agreement concept in a variety of different contexts
- Study sites:
  - Guyana
  - México
  - Perú
  - Ecuador
  - Venezuela
  - Uganda
  - Papua New Guinea





# Compelling Results

---

- *Speed* – faster startup than traditional protected areas
- *Cost* – comparable to traditional conservation investments
- *Accountability* – direct outcome metrics determine payment to resource owners
- *Transferability* – possible in many countries
- *Rate of adoption* – accelerating as proven deals emerge





# Host Country Perspectives

---

*Why is a conservation incentive agreement good for a host country?*

- Opens new market where tropical countries have a comparative advantage – biodiversity conservation
- Protects natural resources for the future
- Involves local communities
- Preserves national sovereignty



A photograph of a tropical beach. In the foreground, there is a sandy and pebbly shore with some driftwood. To the left, several tall palm trees with reddish-brown trunks lean towards the right. The background shows a calm blue ocean meeting a light blue sky with some clouds. A solid dark grey vertical bar is on the right side of the image, and a thin red horizontal line is positioned below the title.

# Opportunities in Melanesia

- Kamiali/Bowutu, PNG



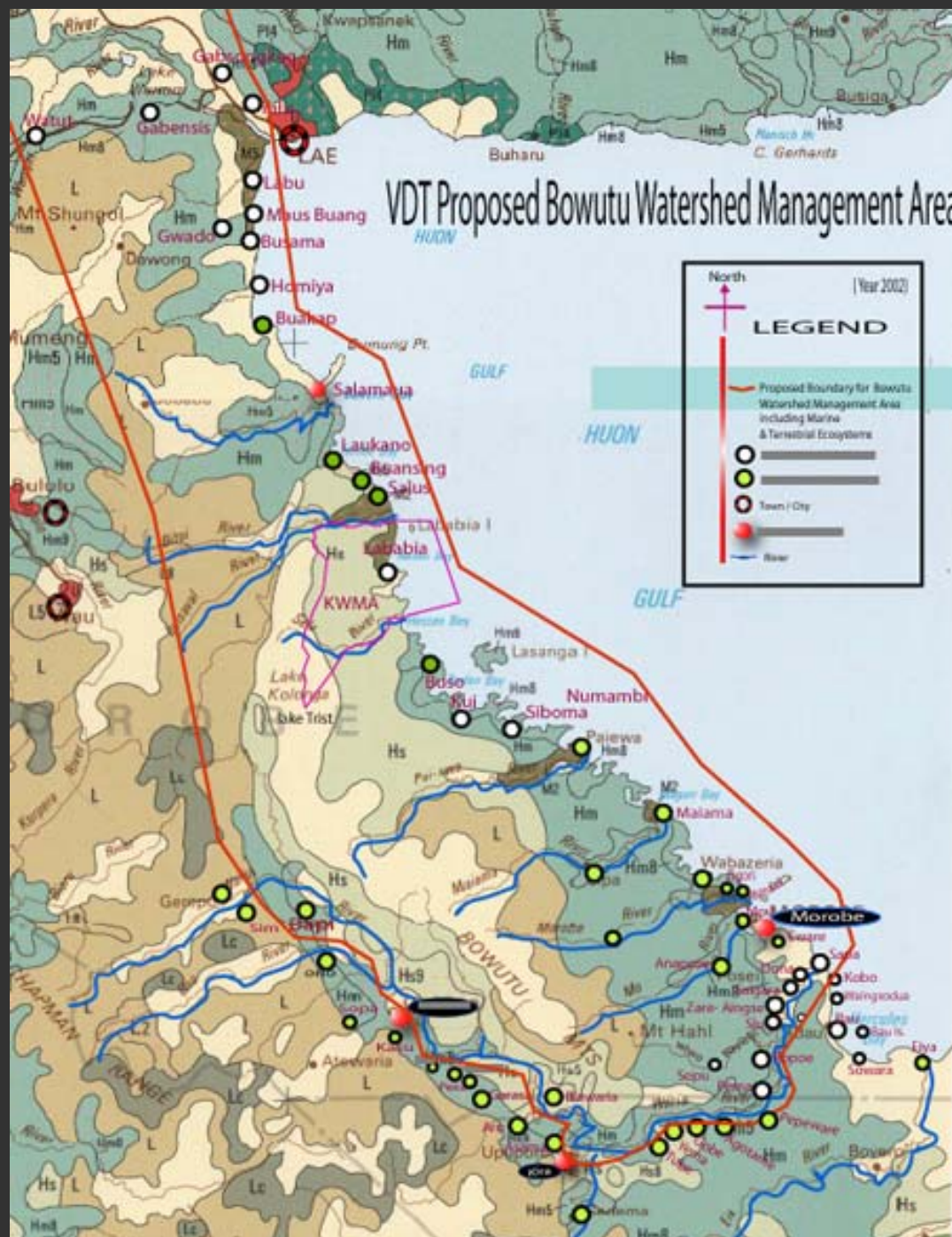




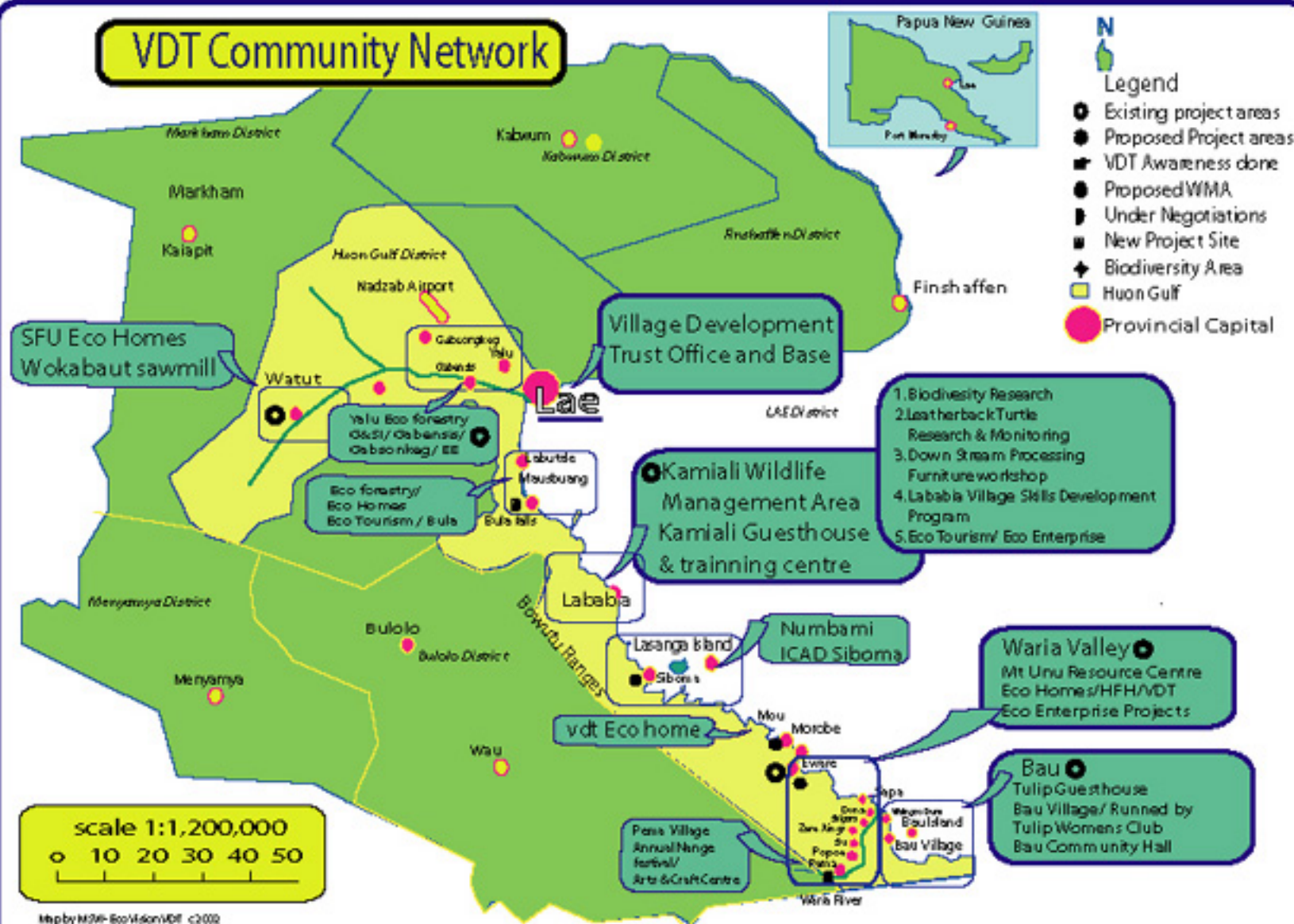






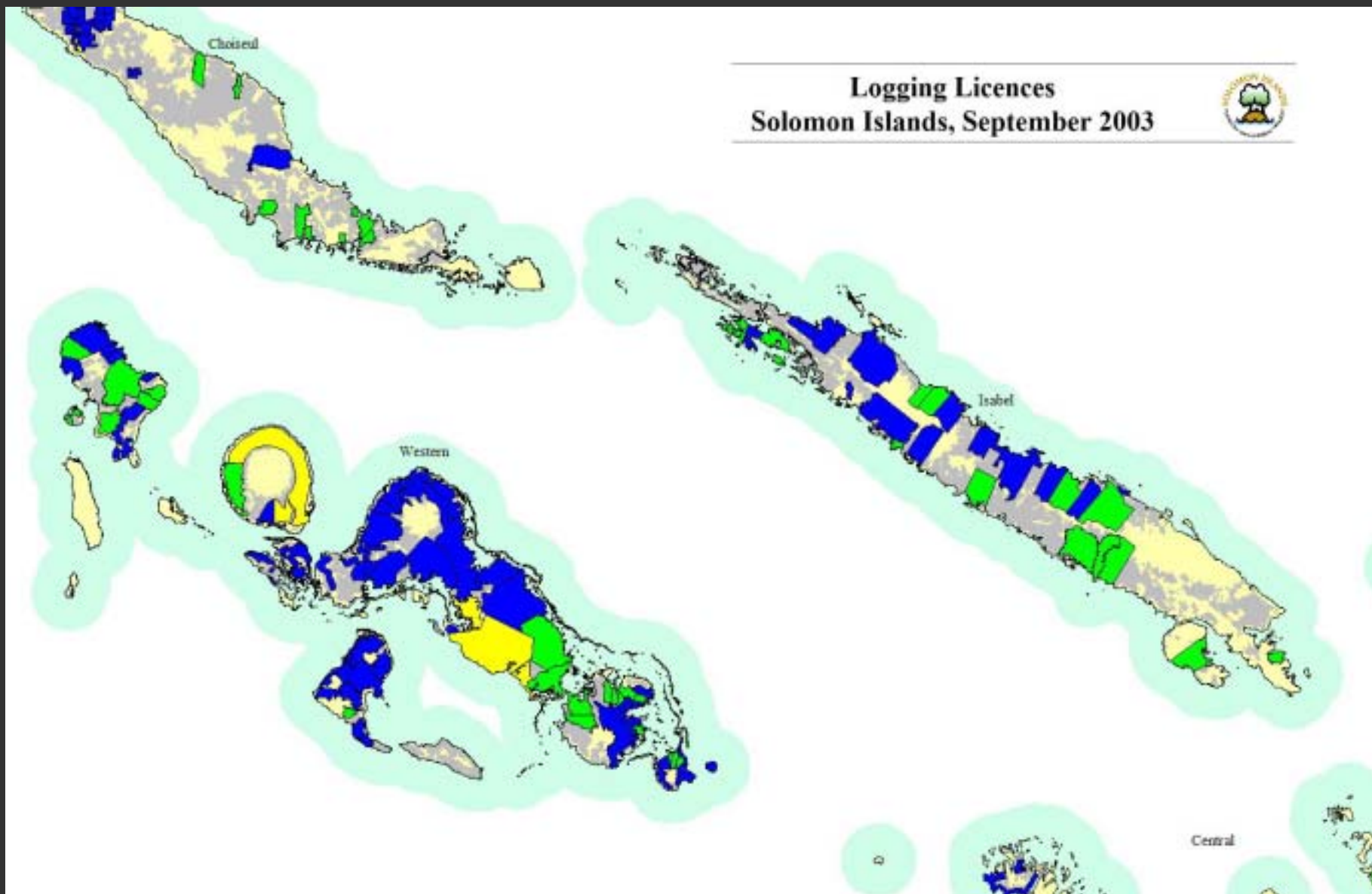


# VDT Community Network





**Logging Licences  
Solomon Islands, September 2003**



A photograph of a tropical beach. In the foreground, there is a sandy and pebbly shore with some driftwood. To the left, several tall palm trees lean towards the right. The background shows a calm blue ocean meeting a light blue sky with some clouds.

# Opportunities in Melanesia

---

- Solomon Islands
  - Network of community conservation agreements



















# Obstacles to Broader Adoption of Incentive Agreements

---

- Funding issues
  - Money not generally available to cover recurrent costs
  - Trust funds not popular with donors
  - Difficult to acquire funding rapidly





# Obstacles to Broader Adoption of Incentive Agreements

---

- Staffing issues
  - NGOs are currently organized to study problems and raise awareness
  - Not identify investment opportunities and implement agreements



# Efforts to Expand the Market

---

- Pilots in diverse sites
- Variety of partnership arrangements
- Improved institutional infrastructure
- New funding sources



# Reasons for Broader Adoption of Incentive Agreements

---

- With reduced funding, existing funds should be used as efficiently as possible
- Incentive agreements provide a way of capturing additional donor funding
- People respond to incentives – but they are not currently being given any