# BioSoc: the Biodiversity and Society Bulletin

Research highlights on biodiversity and society, poverty and conservation

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#### PAYING FOR PROTECTED AREAS: MONEY IS NOT ENOUGH

Protected areas have long been, and remain, the cornerstone of international biodiversity conservation strategies. Around 12 per cent of the world's land area is now protected and the conservation community is keen to increase that coverage. Just maintaining the existing protected area network – let alone increasing it – has significant financial implications. At the same time, funding for protected areas from development assistance budgets has been declining for some years. Donor and government priorities have shifted away from biodiversity conservation to poverty reduction. What funding there is for biodiversity has shifted away from protected areas and towards initiatives that emphasise sustainable use and benefit sharing. Filling the funding gap means not only avoiding dependence on development agencies, but also ensuring the financial sustainability of protected areas.

IUCN has recently conducted a global review of existing financing options. They recognise to at least maintain - if not increase - financial flows from governments and development assistance agencies, the conservation community needs to better demonstrate the contribution of protected areas to the poverty reduction agenda. The current gap in funding is being filled to some extent by donations from philanthropic foundations – channelled through international conservation NGOs – and other sources of private funding. But this is still not enough and some of the more innovative mechanisms that have emerged over recent years are becoming increasingly important.

Mechanisms that generate incentives for conservation (and thus reduce or offset its costs) including fiscal instruments - taxes and subsidies – and revenue sharing schemes, have significant potential for further development but require a major investment in capacity strengthening and awareness-raising. Market-based "fees" for protected area services (including tourism charges, resource extraction fees and payments for ecosystem services) also show considerable scope for expansion but are not without their challenges. Payments for ecosystem services, for example, are often seen as the solution to protected area financing but are costly and difficult to implement - and may emphasise tradeoffs between competing conservation objectives.

It appears there is no shortage of options and opportunities for funding protected areas. Some are tried and tested and require broader application. Others are more experimental or controversial and require further adaptation or fine-tuning. A bigger challenge appears to be strengthening the capacity to manage them more effectively. This capacity requirement includes the need to build a supportive policy and institutional framework that doesn't undermine the ability of protected areas to charge, collect and retain fees, and the need to enhance the skills of individuals within protected area authorities in order for them to run their parks as businesses. Governments and donor agencies must honour their international commitments to finance biodiversity conservation. But protected area authorities need to play their part too and move from being passive recipients of funds to bold, innovative business managers.

Building capacity, working in partnership and *then* securing funding appear to be the critical ingredients of success. One thing is clear: sustainable financing of protected areas requires a lot more than money.

#### **SOURCE**

Emerton, L; Bishop, J and Thomas, L. (2006) **Sustainable Financing of Protected Areas: A global review of challenges and options**. IUCN, Gland and Cambridge.

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The full paper can be downloaded from <a href="http://www.iucn.org/bookstore/HTML-books/BP13-sustainable-financing/cover.html">http://www.iucn.org/bookstore/HTML-books/BP13-sustainable-financing/cover.html</a>. Hard copies can be requested by emailing Anne Erb: <a href="mailto:anne.erb@iucn.org">anne.erb@iucn.org</a>

This report is one in a series of *Best Practice Protected Areas Guidelines* produced by the World Commission on Protected Areas (WCPA). More information about WCPA can be found at <a href="http://www.iucn.org/themes/wcpa/">http://www.iucn.org/themes/wcpa/</a>

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