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Protecting the environment by leasing it

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BUYING land—whether an acre of tropical rainforest, an elephant corridor or British woodland—is a practical way of saving it from development. But land owned by the government of a poor country that wants to exploit its natural resources may not always be available for purchase. Logging, mining and other resource-development activities offer the prospect of tangible economic benefits; conservation does not.

But conservationists have learned that huge tracts of public forest in the developing world are being leased by governments at less than $1 per hectare a year—a price that some of them can afford. The total costs of conservation—comprising the costs of leasing, monitoring and protection—can be as little as $1-2 per hectare per year in forests around the world.

AFP

A bargain at any price

At such prices, conservation organisations can outbid logging and mining companies, and can also pay locals to manage the intact ecosystems. Conservation concessions are attractive to governments, too. They offer a steady stream of income which is often more dependable than taxes on timber or agricultural goods.

The idea of conservation concessions was first mooted in 2000 by Conservation International (CI), an environmental advocacy group based in Arlington, Virginia; and Hardner & Gullison Associates, a conservation consultancy based in Amherst, New Hampshire. Richard Rice, CI's chief economist, has been involved from the start. His first lease was for 81,000 hectares of pristine forest in

Guyana. Since then, he has done deals in Peru, Sierra Leone, Papua New Guinea, Fiji and Mexico.

The agreements are no different from logging contracts, or any other business deal that grants control over natural resources. The terms of the lease can be tied to conservation, and can be terminated in the event of biodiversity loss, if the owner fails to protect his land. This provides more incentive for ongoing land protection than a one-off payment.

The success of these deals relies on low opportunity costs. Dr Rice says that although leasing for conservation seems expensive, when compared to the billions of dollars spent on failed sustainable-use projects like ecotourism and sustainable logging, its benefits are clear.

Conservation concessions complement rather than replace national parks and land purchase. Dr Rice says that the lack of tangible market-value for environmental goods and services remains one of the most serious threats to the world's dwindling stocks of biodiversity, and direct incentives are one possible solution. Conservation concessions can connect demand for greenery with supply.

But conservation organisations often are not organised to identify investment opportunities, and leasing land to save it remains a relatively unknown strategy.

CI is trying to expand the idea. It has partnered with a start-up company called Save Your World, based in Portland, Oregon, which sells skin-care products like soap and shampoo. Each product purchased through this company is directly tied to support for a conservation concession: one bottle of shower gel, for instance, equals one acre of rainforest leased for a year. Dr Rice calls it an Amazon.com that is "actually doing something for the Amazon".

Hoping to inspire government investment with this confluence of conservation and development objectives, CI has also spoken with the World Bank and interested governments about creating national funds to support conservation concessions.

Conservation concessions have had some modest successes over the past eight years. But if they are to live up to their full potential, they must be more widely publicised, especially among traditional conservationists, who may be unused to such a market-based approach.