

# Private Incentives to Conserve Ecuador's Coast

Presented at: A Private Sector Approach –  
Conservation Agreements in support of Marine Protection



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## Abstract

- Conservation International has developed a programmatic approach to private conservation using incentive agreements.
- Incentive agreements hold potential to protect a wide variety of terrestrial and marine habitats.
- Under such agreements, national authorities, communities, or individual resource owners agree to protect natural ecosystems in exchange for a steady stream of structured compensation from conservationists or other investors.
- With ultimate objectives that include long-term protection of biodiversity and economic development, this mechanism offers an alternative that conservationists, development agencies, governments, and local communities alike can support.
- This case study will illustrate how conservation agreements between institutions and fishing communities are being used along Ecuador's northwestern coast to help establish marine reserves.

## Agreement Mechanism

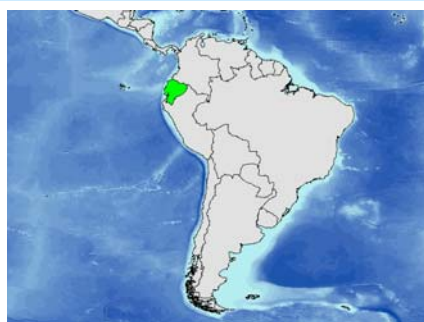
A conservation agreement between Ecuador institutions and communities will:

- Pave the way for a marine reserve
- Set the example for management while the legal process of declaring the reserve occurs.

The management plan will include the conservation agreement's management scheme. This will help maintain community enthusiasm and also experiment with a management system.

## Project Context

- The project involves 2 fishing communities in the northwestern province of Esmeraldas. The Galera – San Francisco peninsula, where they live, is assumed to be one of the most diverse areas in the Ecuadorian coast.
- Marine biodiversity is threatened because of over fishing, poor fishing practices and the lack of control over the resource.



Ecuador Commercial Fishing Village, courtesy of Volunteer Visions

## Process & Issues

A group of organizations, including NAZCA, CI, TNC, local groups and authorities are proposing the declaration of a marine reserve managed by the communities where they will have the legal right to exclude industrial fisheries and enforce the application of artisanal fisheries regulations in the area.

The whole effort is being discussed by an inter-institutional panel that includes the Ministry of Environment, Ministry of Agriculture and Fisheries, Ministry of National Defense, Ministry of Tourism, the municipality of Muisne, the provincial government, the community and local NGOs supported by CI and TNC.



Ecuador Coast, South of the San Francisco Peninsula

## Conservation Incentive Agreements (CIA's)

- A broad class of conservation mechanisms based on an equitable exchange of natural resource conservation for economic and social benefits (Hardner and Rice, 2002)
- Is a means to compensate local resource owners and users for conservation (preservation of ecosystem composition, diversity and functionality)

## Motivations for CIA implementation

- Conservation area creation traditionally takes too long to create, requires strong political will and high transaction costs
- Gov't PAs insufficient to meet conservation needs, incentives required for private PAs
- There is a "demand" for conservation.
  - GEF invested \$961M 91-01 for biodiversity conservation through protected areas (894 areas - 160M has) (Castro & Locker, 2000)
  - CAN reports \$1.3B invested in biodiversity conservation (management) in the five Andean countries (CAN, in revision)
  - 90-97 \$2.5B from multilaterals and bilaterals LAC

## Elements of a CIA

- Negotiated Agreement
  - Performance metrics
  - Compensation for foregone resource use
- Periodic Payments
  - Paid upon satisfaction of performance metrics
- Monitoring and Verification
  - Periodic measurement of performance metrics

## Enabling conditions

- Site defined for conservation or restoration, considered priority by donors and CI;
  - fall within CI hotspots and other prioritization schema
- Entity with clear legal title or right to determine use of area slated for conservation
- Enforceability of conservation agreement
- Means to deliver compensation in a manner that satisfies relevant stakeholders
- Funds to provide competitive compensation for conservation
- Capable on-the-ground partner