

GMS Core Environment Program
Biodiversity Conservation Corridors Initiative

**Linking communities to employment
opportunities and markets:
Policy and institutional design
aspects**

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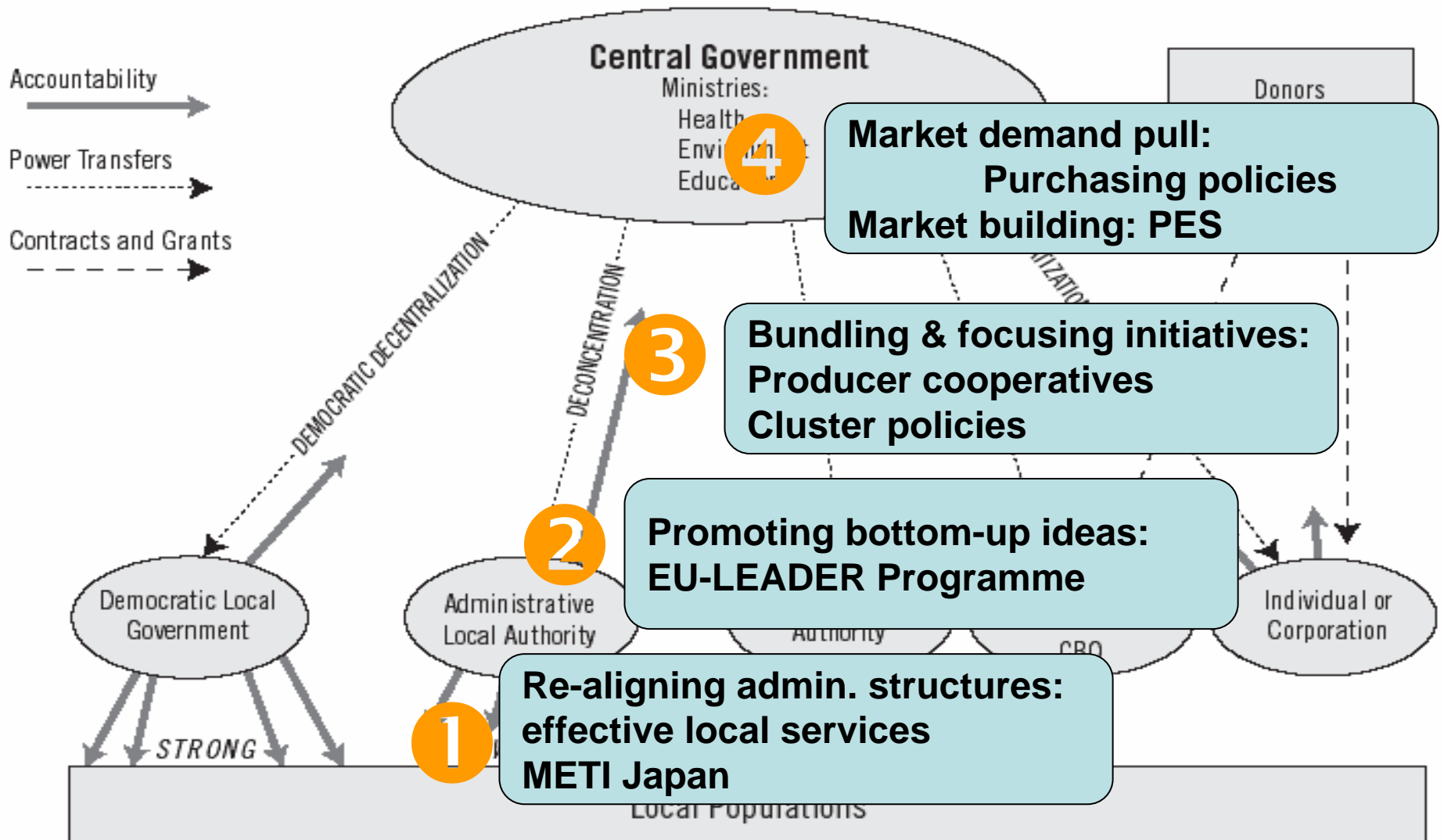
International Institute for Applied Systems Analysis IIASA, Austria

- **1967 initiative of US President Johnson and USSR Premier Minister Kosygin**
- **1972 Charter signed by 12 countries founded Research center “as neutral bridge East - West”**
- **1994 Ministerial Conference renewed mandate as independent, scientific institution
= from East–West to Global**
- **Currently 16 Member Countries**

Local Communities in Rural Transformation

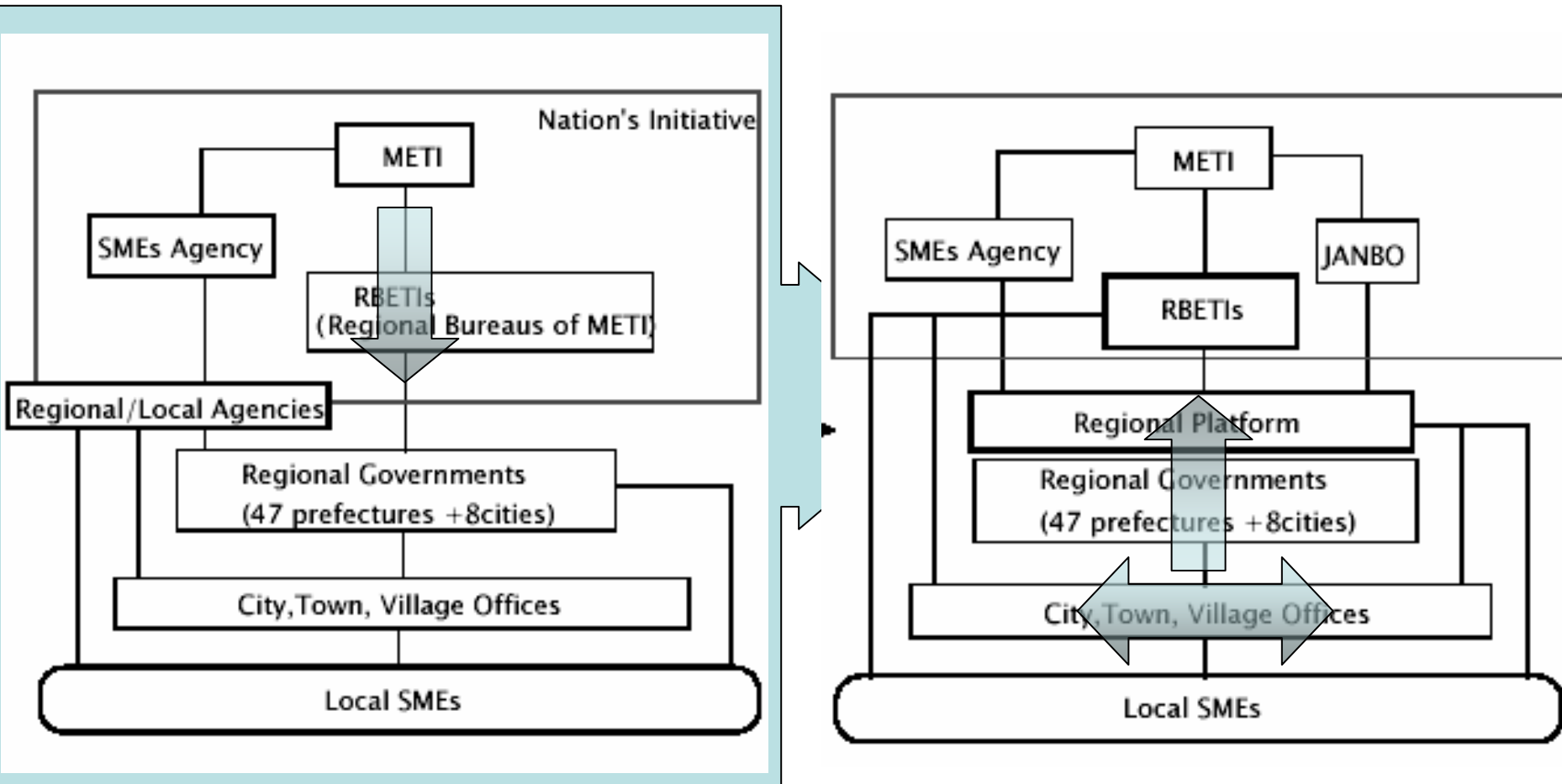
- Policy trends towards
 - Economic & infrastructure development AND conservation
 - Decentralization, participation, rights, planning, poverty, ...
 - Beyond agriculture / forestry / ... sectoral focus
- Frequent experience:
 - Ownership of ideas and initiative is crucial
 - Wary of outsiders & imposing of concepts, but lack of own capacity
 - Too many too diverse contexts to simply apply model approaches
- What next? – continue
 - Demand-driven tacit empowerment & learning-by-doing environment
 - Safeguard institutions (accountability, transpar.), stable & simple
 - Domestic and international market & market access building

Promoting bottom-up emergence & market building



1

Administrative realigning: following info-flow (Japan)



2

Capturing ideas & initiatives



LEADER I: 217 areas

LEADER II: 998 local action groups & others

LEADER+: now running

EU - LEADER PROGRAMME on developing lagging rural areas

- area-based approach: building on region specific context
- local group small-scale bottom-up
- private-public actor collaboration: 6yr „local action plan“
- innovation: new ideas & answers to existing problems
- multi-sector integrated approach
- joint learning: network-building

2

LEADER II evaluation

EFFICIENCY

- + adaptability
 - + bring actors together
 - + mobilize additional
 - + suited to small-scale
-
- too short implementation
 - blocking local admin
 - prior other initiatives

EFFECTIVENESS

- + closing gap top-bottom
 - + mentality towards active
 - + responsibility to local
 - + pilot for innovative diversific.
-
- too short implementation
 - disregard of bottom-up
 - weak unrepresentative partner

2 LEADER & Rural Development

Success Factors

- + new avenues for added value
(synergies with existing chains)
 - + local partnership capacity building
„learning for accountability“
 - + more cooperation private-public
 - + integration of environmental
concerns as a rule
- 

Initiatives failed

- disruption by cutting funds abruptly
- high fluctuation of key actors
- dominant single sector / public actors
- relatively small impact compared to
other factors

3

Bundling & focusing: Producer cooperatives

Goals

- promote forest management & development of members' forests
- reduce individual investment by pooling & sharing (machinery, time)
- trade members' raw material & process material delivered by them

Advantages

- + stronger position in negotiations in the market
- + more attractive volumes & lower transaction costs
- + profits remain amongst producers

Difficulties

- co-operation with competitors! – and need for solidarity
- a capable & determined leader & erosion of enthusiasm over time
- the need for early real benefits (additional income)
- equitable sharing of costs & profits – and trust
- building up technical, management and marketing know-how

3

Bundling & focusing: Cluster-building approach

1. groups of firms & value adding (not individual firms)
2. local agglomerations of SMEs (not large firms)
3. indigenous growth processes (not inward investment)
4. stimulating strong parts of regional economy (not weakest)
5. stimulating interaction between local players („low-intervening“)
6. public bodies as facilitator / broker
7. stimulating links of / to local business environment

4 Public procurement & promotion



4

PES Market building



Biodiversity Markets

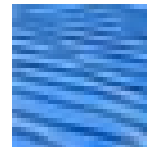
Market Volume US\$375,908,799

Transaction Volume

Land Area Protected /Restored

January 1, 1987 to August 1

Water Markets



Market Volume

Transaction Volume

Land Area Protected /Restored

December 31, 1994 to /

Carbon Markets



Market Volume US\$92,344,370

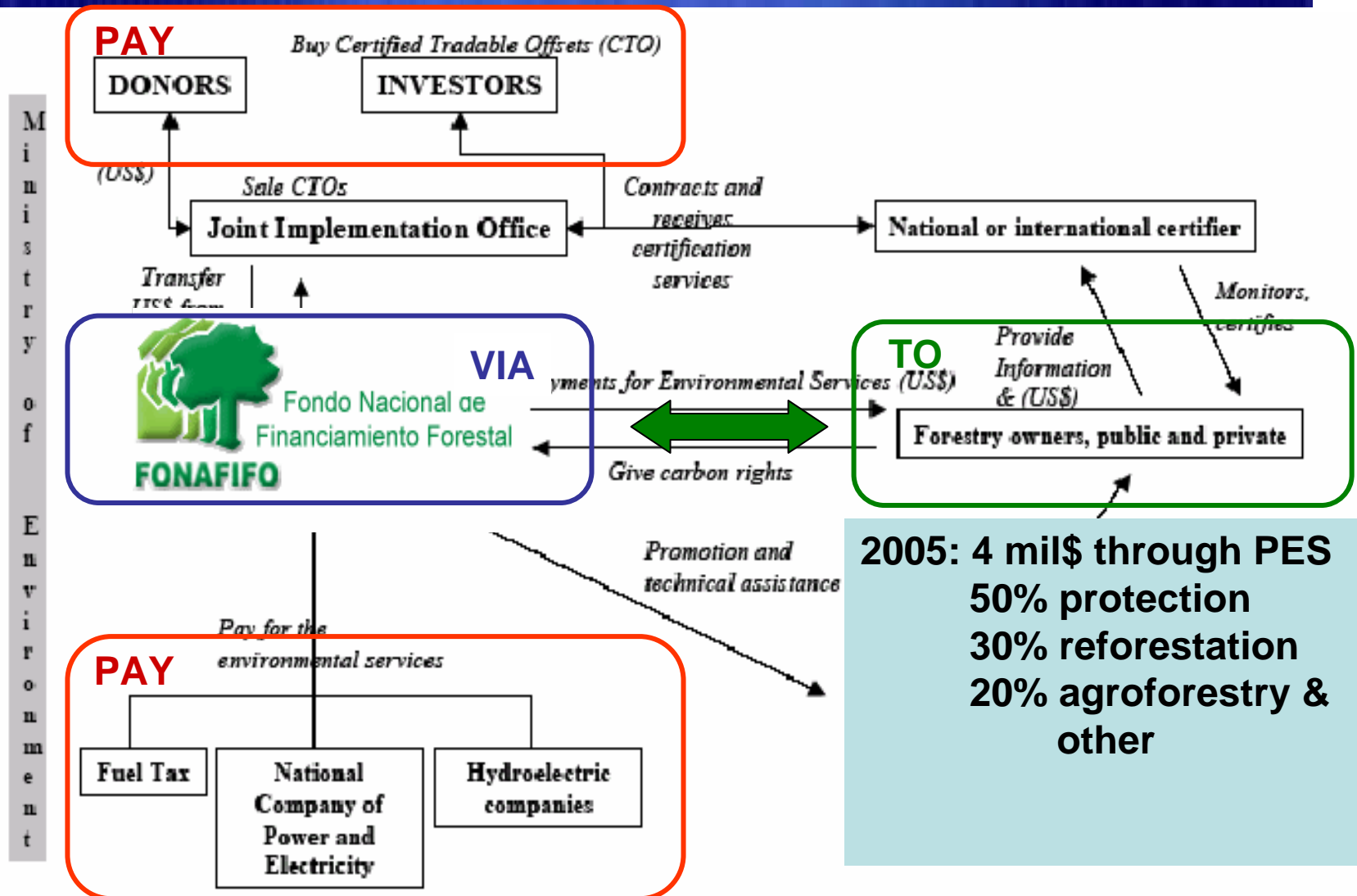
Transaction Volume 38 transactions

Land Area Protected/Restored 886,364 ha

January 11, 1995 to March 2, 2006 | View Source Data/Assumptions

4

Biodiversity, Carbon & Water Costa Rica



2005: 4 mil\$ through PES
 50% protection
 30% reforestation
 20% agroforestry & other

..in concusion

....re-arranging policies and institutions to facilitate bottom-up emergence is a key strategy

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along with removing well-known obstacles

Accountability

Power Transfers

Contracts and G

Democr
Govern

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