

Mind Factory report - Funding for Protected Areas: Do we need something new?

Frank Vassen, European Commission, DG Environment, 27.05.2022

Context

The EU Biodiversity Strategy for 2030 includes ambitious targets for protecting, managing and restoring nature in the European Union. Besides increasing the coverage of Protected Areas and stepping up restoration efforts, the Strategy provides that all Protected Areas should be properly managed by 2030. Achieving all these targets will require significant additional resources in the coming years. While public sector financing is expected to remain the dominant source of funding for nature conservation, the contribution of various private sector funding sources is progressing over time.

Despite the increased ambition of the strategy, and despite the increased pressure on protected areas as a result of the recent Covid crisis, many protected areas across Europe are suffering from staff reduction or governmental funding cuts.

The aim of this Mind Factory is to look at successes and failures of complementary (private) financing options for the management of Protected Areas in Europe, and to draw key lessons and recommendations on the mobilisation of additional funding.

The Mind Factory

The 3-h mind factory took place in the afternoon of 3rd May 2022, in the frame of the EUROPARC Conference in the National Park Neusiedler See/Burgenland/Austria.

Chaired by Frank Vassen, team-leader on financing issues in the Nature Conservation unit of DG.ENV (European Commission), this Mind Factory gathered 15 participants from Austria (2), Belgium (1), Estonia (1), France (1), Germany (1), the Netherlands (3), Poland (1), Romania (1) and the United Kingdom (4).

After an introductory session of bilateral discussions to “break the ice” and ensure that all participants get actively involved, participants presented their experiences on private funding for conservation and identified several topics that might be worth to elaborate more in-depth.

In the second part of the Mind Factory, this was then followed up by a more-depth discussion on possible approaches on how to improve the mobilisation of private funding in relation to each of the key topics.

Key messages from the Mind Factory

- 1) There is significant potential for various private sector funding sources to be mobilised as a **complement for public sector funding** for protected areas and nature conservation, including where public financing is being reduced. However, when searching for alternative funding sources and communicate about them, is important to ensure that this is not being used as an excuse to reduce public sector funding. On the other hand, there might be also be synergies: public funding could be used to generate private funding.

- 2) One of the key challenges seem to **enable/encourage Protected Managers to do “proper” fundraising**. This could be achieved through dedicated training on existing option (see below), on how to avoid greenwashing or risk reputational damage, etc.
- 3) The **collections of fees or taxes** is being used in certain countries to complement the budget of certain protected areas. Depending on the context, taxes or fees might be either optional or obligatory; and they could be collected either directly (e.g. on toll gates at park entrances) or indirectly (e.g. as part of a hotel bill). One option might be to collect them only from certain user categories, for example those that visit the area by private car rather than by other means. As some countries seem to be more advanced in using such approaches, there might be scope for transnational exchange and experiences and the development of recommendations on how to collect such levies or taxes. One of issue that is worth highlighting is need for clarity on what the money that is collected is being used for. Another issue is the need to get all concerned parties (tourism boards, etc.) on board before engaging into the collection of fees.
- 4) **Crowdfunding** is already being used – often successfully - to finance certain conservation or protected area management activities, but this is not yet used to its full potential. To upscale its potential benefits, it might be useful to launch some pilot projects. These might include actions for inventories of existing successful crowdfunding approaches and the testing of pilot initiatives, in a wider range of situations. Ultimately, such project(s) should lead to the development of a toolkit deliverable with recommendations on how to carry out crowdfunding initiatives, including do’s and don’ts in crowdfunding. EUROPARC might be interested to coordinate a project at multi-national scale.
- 5) The participants to the mindfactory agreed that **Carbon credits** offer by far the biggest potential for mobilizing additional funding. This is an emerging area on which there any many uncoordinated initiatives. To ensure credibility and efficiency, and facilitate the deployment of carbon credits, including at a transnational scales, there would be a need for the development of “certification criteria” at both the provider and the recipient level of carbon credits. There might be an added value in developing projects to support the deployment of carbon credits. Such project might include an inventory of existing approaches, development of certification criteria, pilot actions or case studies, training or guidance for protected area managers, etc. EUROPARC might be interested to coordinate a project at multi-national scale. Annex I to the current note includes the possible outline of a project of carbon credits.
- 6) Overall, there was consensus that it is worth following up the above key ideas. The mind factory chair committed to explore possibilities for financing support for such project(s).

Annex I: Potential outline of a project to explore the potential of carbon credits

edited by Erika Stanciu, WCPA Regional Vice-Chair Europe, based on a group discussions

- I. Methods for calculating Carbon Credits and establishing Specialized Groups – presented and combined for PA use
 - collecting existing methods
 - training PA managers to understand and promote (to PA Stakeholders) the Carbon Credit concept, methods
 - training companies to understand the drivers from the conservation work for the Carbon Market

- II. Building Credibility and Monitoring
 - a. Certifications for Carbon Crediting (what is out there, which ones are functional and "usable" in PAs)
 - b. Certification or Monitoring Tool for Carbon Commitments from PAs
 - c. Certification System for Companies working on the Carbon Market (?) or a "customer evaluation system" or ...

- III. Guidelines for PA managers and Carbon Credit companies / consultancies, which should answer key questions and give examples:
 - How to include landowners from the very beginning
 - How to bring benefits for the local communities AND the PA conservation work
 - How to work with "Carbon Companies"
 - Case studies (success stories / best practice and failures)

- IV. Testing (piloting) a Carbon Credit calculation and selling: picking up a few PAs with different conditions in terms of biodiversity, communities/stakeholder presence and participation etc.

- V. European Resource Library