

Could private investment finance conservation?

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A shade-grown coffee farm near the town of Jardín in the Antioquia department of Colombia. Coffee beans grown under trees are higher quality, supporting the livelihoods of farmers and their families. Trees on shade-coffee farms are beneficial for soil health and provide habitat to migratory birds. Credit: Photo courtesy of Amanda Rodewald.

Most of the money for protecting and conserving wildlife and habitat comes from government programs, philanthropic organizations, or the public. But conserving Earth's ecosystems and species requires hundreds of billions dollars more than what is currently spent. Fortunately, there might be another way. A new report called *Innovative Finance for Conservation: Roles for Ecologists and Practitioners*, explores how private investment could boost conservation in a big way. The report, which has just been released by the Ecological Society of America, offers guidelines for developing standardized, ethical, and effective conservation finance projects.

"The reality is that public and philanthropic funds are insufficient to meet the challenge of conserving the world's biodiversity," said lead author Amanda Rodewald, Garvin Professor and Senior Director of the Center for Avian Population Studies at the Cornell Lab of Ornithology. "Private investments represent a new path forward both because of their enormous growth potential and their ability to be flexibly adapted to a wide variety of social and ecological contexts."

Rodewald notes that investors are increasingly demanding that [environmental sustainability](#) be used, in part, to guide [investment decisions](#). According to the report, there's more than \$9 trillion of managed assets in sustainable investment funds in the United States, a figure that has grown by more than 33% from 2014 to 2016.

Investments in [conservation projects](#) can offer positive environmental, social, and financial returns. But the report spells out a number of actions that individuals and organizations working in [conservation finance](#) will need to adopt in order to "mainstream" the field, including standardizing the metrics for evaluating projects and establishing safeguards and ethical standards for involving local stakeholders and making sure the community benefits.



Ancient Haida mortuary totems at SGang Gwaay Ilnagaay, Haida Gwaii, which are protected under the Constitution of the Haida Nation and commemorated by the Government of Canada as a National Historic Site. In 2009, a reconciliation protocol established co-management of the islands by the Haida Nation and the Province of British Columbia. The Haida Nation subsequently purchased a large forest tenure and established a Nation-owned and operated logging company that follows strict environmental and social standards for responsible forest management. The investment was supported by funding from Coast Funds (www.coastfunds.ca), an Indigenous-focused conservation finance organization that invests in First Nations-led sustainable business development initiatives. Credit: Photo courtesy of Brodie Guy.

Co-author Peter Arcese, a professor at the University of British

Columbia and adjunct professor at Cornell University, explains that opportunities in conservation finance are growing for investors interested supporting sustainable development.

"Almost all landowners I've worked with in Africa and North and South America share a deep desire to maintain or enhance the environmental, cultural, and aesthetic values of the ecosystems their land supports," Arcese said. "By creating markets and stimulating investment in climate mitigation, and forest, water, and biodiversity conservation projects, we can offer landowners alternative income sources and measurably slow habitat loss and degradation."

Rodewald sees a similar landscape of interest and opportunity.

"No matter the system—be it a coffee farm in the Andes, a timber plantation in the Pacific Northwest, or a cornfield in the Great Plains—I am reminded again and again that conservation is most successful when we safeguard the health and well-being of local communities. Private investments can be powerful tools to do just that," said Rodewald.

The report is No. 22 in a series of reports published by the Ecological Society of America that use commonly understood language to present the consensus of a panel of scientific experts on issues related to the environment.

More information: Previous reports in the series are available at <https://www.esa.org/publications/issues/>.

Provided by Cornell University

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