

Eco-compensations and poverty reduction session

Conditional transfers: experiences, lessons and challenges



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Partnership for a Better World

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Setting up the scene

Fragile
ecosystems to
protect, or
restore...

Poor people,
vulnerable,
small
landholders,
landless ...

Instruments like:

(a) **Behaviour incentive-based** with
conditionality attached
e.g. PES, Eco-compensation

(b) **Public work schemes – job
creation** conditional to satisfactory
environmental works



This session

Sharing experience between poverty and environmental experts, policy makers and researchers, and across geographies

Marking point: areas for future practice, learning and joint research

Experience at scales

Asia:

- **The Philippines** National Greening Programme,
- **India's** Mahatma Gandhi Rural Employment Guarantee Act programme,
- **China's** Eco-compensation Programme
- The **Bangladesh** *Jatka* Conservation Programme,
- **Bhutan's** emerging Water PES

Africa:

- **South Africa's** Environmental public works programme,
- **Ethiopia's** Productive Safety Net Programme
- **Madagascar's** emerging Payments for ecosystem services
- **Kenya's** emerging Payments for mangrove protection

Latin America:

- **Brazil's** Bolsa Floresta programme;
- **Mexico's** Payments for hydrological services programme,
- **Costa Rica's** Payments for Ecosystem Services programme

Enablers for success

Government buy in and financial sustainability

- Net political gain is key.
- Insulate financial sustainability from economic and political shocks

Institutional setup, + monitoring and evaluation

- Smart and efficient institutions needed
- A need towards a more cost-effective monitoring and evaluation

Targeting + payment types

- Exclusion and exclusion errors
- Compensation types and distributional implications

Conditionality and compliance

- Trust is key for compliance esp. for small scale projects
- Effective monitoring and enforcement; well defined property rights

Convergence potential

Evidence that it works— *although not easy (mis-targeting, elite capture, etc)*

Advances in ICTs to reduce costs — *although practice not always as planned or preferred*

Domestic public commitments and potential for private sector — *but problems with free riding*

Evidence of change in behaviour — *but no clear exit strategies with long-lasting impact*

What next?

A learning platform:

- Exchange and learn from each-other
- Make a clear link of the environment to wider agendas: health, poverty, industry, climate change, SDGs
- Sustainable ecosystems need sustainable finance: fiscal reform, tackle bad subsidies, natural capital accounting