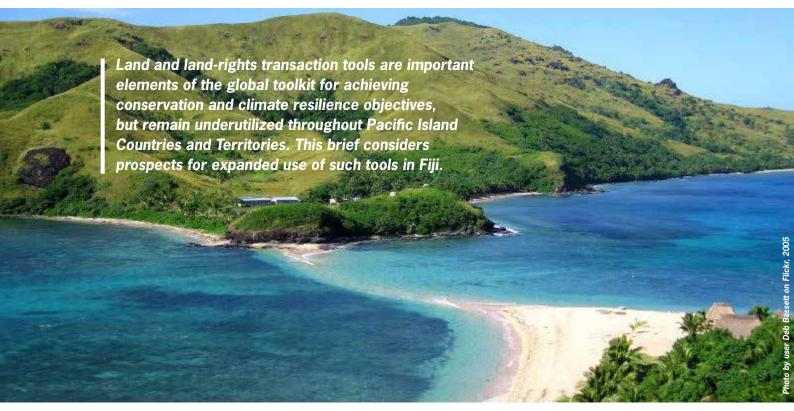


## **POLICY BRIEF**

#### Advancing Transaction Tools for Conservation and Climate Resilience in Fiji



#### The Objective: Expanding Terrestrial Area under Protection or Conservation Management

The Government of Fiji has affirmed its commitment to Aichi Target 11 which states:

By 2020, at least 17 per cent of terrestrial and inland water areas and 10 per cent of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscape and seascape.

The Protected Areas Committee (PAC) has defined a set of proposed terrestrial protected areas to advance toward a national target of placing 17% of the nation's land area under protection, or 310,590 hectares (ha). Existing and proposed areas amount to a total of 292,932 ha, leaving at least a further 17,658 ha to be identified for protection.

Disclaimer: This brief is extracted from a comprehensive report that treats the topics and points in detail. The report is based on literature review, interviews and focus group discussions that captured a wide range of perspectives. The analysis and conclusions presented in both the report and this brief are those of the authors only and do not constitute a statement of policy, decision or position of SPC, AFD or FFEM.









#### **Transaction Tools**

Transaction tools involve exchanges between willing buyers and willing sellers for land or specific rights attached to a parcel of land. Three tools are of particular interest as means to advance conservation and climate resilience in Fiji:

- i. Outright purchase, in which a landowner irrevocably relinquishes all property rights to a buyer against payment. The buyer can be another private entity, a government entity, or an organization such as a land trust specifically established for the purpose of acquiring lands for conservation.
- ii. Easements, in which landowners irrevocably relinquish partial rights over property or accept restrictions on certain activities on the property, but not ownership of the property itself.
- iii. Leases, in which landowners relinquish use-rights for a defined period of time without ceding ownership of a property. Leases typically include payments based on economic value of the land, though all terms including payment amounts are subject to negotiation. Lease payments can involve private or public funds. Concessions can be considered as a special case of leases relating to public land.

These tools are distinct from imparting conservation status on an area through use of regulatory authority (with or without compensation to landowners), and also from approaches intended to motivate voluntary conservation (such as environmental education and awareness campaigns, or alternative livelihood programmes). That said, these measures may complement a transaction as when a purchase leads to formal protected area designation or a lease is accompanied by livelihood investments.

#### **Transaction Tools in Fiji**

As 88% of land in Fiji is under customary tenure and thus unavailable for purchase, relevant initiatives to date have focused on leases. For example, the National Trust of Fiji (NTF) holds a 99-year lease over 16,304 hectares of tropical lowland rainforest in the Sovi Basin. The landowners are members of 9 landowning units in 4 villages, and the lease is signed by NTF as lessee and the iTaukei Land Trust Board (TLTB) as lessor on behalf of the landowners. The annual payment amount is composed of a land rental rate, royalties, and contributions to a Community Conservation and Development Fund (CCDF). NTF, with support from Conservation International, signed the Sovi Basin lease in 2012. The Wildlife Conservation Society (WCS) in 2017 signed a 99-year conservation lease modeled closely on the Sovi experience. The WCS lease is with the Nadicake landowning group in the village of Kilaka, providing annual rental payments in return for protection of the 402-hectare Kilaka Forest Conservation Area. As with the Sovi lease, the Kilaka lease was mediated by the TLTB, and protects a national conservation priority. The Emalu project seeks to use a 99-year lease to protect 4,120 hectares of forest as a carbon credit project, working with 8 landowner groups to avoid deforestation and generate 18,800 carbon credits per year. Thus, replication of the lease approach to securing land for conservation is well underway in Fiji.

Conservation purchase is relevant only to the 8% of land in Fiji that is freehold, as native or State land is not available for sale. NTF is involved in two such initiatives, one to establish the Nakanacagi Cave Reserve, and the other to protect the island of Macuata.

Easements are possible under Fijian law, termed conservation covenants, but to date this tool has gone unused.

#### **Key Feasibility Considerations**

The following factors influence the feasibility of expanding use of transaction tools for conservation and climate resilience in Fiji:

*Identification of priorities:* The PAC has mapped priorities based on biodiversity criteria, but this prioritization does not adequately reflect wider ecosystem dynamics or climate considerations.

**Policy context:** The Government of Fiji is committed to Aichi Target 11, and has explicitly indicated support for the conservation lease model. Some specific sites may require careful balancing of conservation needs with government development priorities (e.g. mining). However, further use of transaction tools does not remove the need for improved protected area legislation.

**Legal context:** Existing conservation purchases and leases show that there are no legal obstacles, and the law explicitly accommodates conservation covenants. Moreover, the Act that established the National Trust of Fiji specifically empowers the NTF to use such covenants.

**Social and cultural context:** The Sovi and Kilaka experiences demonstrate that with a thorough stakeholder consultation process and a participatory approach to conservation management, conservation leases in particular are socially and culturally acceptable.

**Implementation capacity and long-term management solutions:** Fiji benefits from a rich array of conservation actors including government agencies, non-government organizations and the University of the South Pacific, who collectively, given adequate funding, are well able to deploy transaction tools. In combination with community participation, these actors also are able to facilitate long-term management of conservation properties.

**Financing options:** Various conservation transactions to date signal willingness on the part of a range of sources to fund transaction-based conservation and climate-related efforts in Fiji. Mechanisms such as the endowed Sovi Basin Trust Fund and REDD+ initiatives based on sale of carbon credits signal positive prospects for ambitious financing goals.

### SYNTHESIS OF FEASIBILITY CONSIDERATIONS FOR FIJI

	PURCHASE	EASEMENT	LEASE
Identification of conservation priorities	2	1	4
Policy context	4	2	4
Legal context	5	3	5
Social and cultural context	4	1	5
Implementation capacity	5	2	5
Financing options	4	2	4
Long-term management solutions	4	3	4
Average Score	4	2	4.4

- \* Each factor is scored from 1 to 5 where 1 means least conducive to feasibility, and 5 means most conducive to feasibility.
- \*\* The numbers reflect initial scoring based on desk review, interviews with key informants, and group discussions in stakeholder workshops.

#### **Recommendations**

The primary tool for applying conservation status to additional areas in pursuit of Aichi targets and national policy goals in Fiji will be conservation leases, building on precedent and the growing body of experience. When opportunities to purchase strategic priority areas arise, the National Trust of Fiji (NTF), the government, and other partners should respond as financial and other constraints allow, but such opportunities are likely to be few and far between. Although easements (conservation covenants) are possible under Fijian law, they have not yet been used and landowner appetite for this option is unknown; seeking a suitable site to pilot a conservation covenant with the NTF could generate an important learning and demonstration opportunity.

To inform wider strategy for use of transaction tools, the PAC spatial prioritization needs to be advanced further. One key factor is to explicitly incorporate needs for climate resilience, such as anticipated changes in precipitation and shifts in habitat range as a consequence of climate change. Another is to reflect land ownership, so that strategy can be informed by complexity of tenure arrangements (number, size and distribution of landowning units). Finally, prioritization would benefit from some characterization of opportunity costs and analysis of compatible land uses.

The principal constraint to area-based conservation in general and transaction tools in particular, noted by multiple stakeholders, is the amount of available funding. A national protected areas fund could address both costs of transaction tools and management costs, and would provide a powerful basis for spreading awareness of conservation leases as a viable option among Fijian communities. Therefore support for PAC efforts to develop and capitalize such a fund is a priority.

Although legislation, regulations and administrative support mechanisms for leases are highly developed in Fiji, there is no comprehensive protected areas legislation. Activities under the PAC include efforts on this front, but a strategy for expanded use of transaction tools should include specific attention to ensuring that conservation leases, easements and purchases are addressed in relevant protected area legislation as it evolves. Legislation should make clear how areas conserved through such transactions relate to the formal protected area network; define pathways for closer integration into the national system; and define how transactions can be linked to national protected area financing options. In addition, engagement on this topic should include examination of possibilities for introducing fiscal incentives for easements (and potentially other conservation transactions), as such incentives have proven to be essential in all countries where the use of transaction tools is well developed.

Several sites throughout Fiji are sufficiently valuable with respect to biodiversity and ecosystem services that they can be anticipated as high priorities following any refinement of the current priority map. These include Greater Tomaniivi, Delaikoro and Taveuni, where NGOs and government partners already are working with local communities to explore options for protected area creation. Supporting these efforts, particularly in the form of solutions to long-term financing needs (i.e. contributing to dedicated endowments housed under an eventual national protected areas fund), would be cost-effective by building on existing initiatives and benefiting from prior activities (e.g. initial stakeholder engagement, socialization, mapping, etc.). As recognized priorities of sufficient size to contribute meaningfully to Aichi targets, these sites also offer promise with respect to attracting further matching co-finance.

# In sum, recommended steps to expand use of transaction tools in Fiji include support for:

- Refinement of prioritization of conservation sites, especially to include climate considerations and mapping of ownership situations.
- Strengthening and expansion of NTF capacity to undertake more transactions, with respect to staffing (legal expertise, community engagement, and site management) as well as funding, including capacity to manage sites after lease or purchase. Efforts to increase funding can be linked to work on a national sustainable financing mechanism, recognizing that the NTF is likely to play a lead role in such a mechanism.
- Demonstration of how to use available legislation and regulation for conservation covenants (easements), followed by comparative analysis of the use of easements versus conservation leases on customary land. A first step would be to identify a site or sites where a covenant might be an attractive alternative to a lease or purchase.
- Development and capitalization of a national sustainable financing mechanism, including an endowed trust fund component, for protected areas.
- Efforts to address the lack of comprehensive protected area legislation, with a particular focus on ensuring constructive inclusion of conservation transactions (i.e. classification of transacted areas in the national protected area system, pathways for transacted lands to become part of the formal protected area network, and possibilities for including transacted lands under a national conservation financing mechanism).
- Use of conservation leases to create protected areas in Greater Tomaniivi, Delaikoro and Taveuni.

#### **POLICY BRIEF: FIJI**