

The ILCN Team is excited to share with you three new resources available on our website.



WORKSHOP ON EMERGING INNOVATIONS IN CONSERVATION FINANCE Las Majadas de Pirque, Chile 27-29 September 2016

LINCOLN INSTITUTE

First, the *Report on the Workshop on Emerging Innovations in Conservation Finance* is now available <a href="https://example.com/here-example

Second, please see this <u>article</u>, written by workshop participant, Tony Hiss. Published in the Lincoln Institute of Land Policy's magazine, *Land Lines*, "<u>South Star</u>" beautifully illustrates the conservation landscape in Chile, as well as highlights groundbreaking conservation efforts taking place there, such as those of the Tompkins.

Third, the ILCN hosted its first webinar last week. ILCN Director Laura Johnson was joined by conservation finance experts Andrea Tuttle, a consultant in forest and climate policy, and Rob Wilson, Director of Conservation Finance at the Nature Conservancy of Canada, to discuss how private land conservation organizations may work within the framework of the Paris Climate Agreement. The webinar was attended by 65 people from 16 countries, and the recording is now available here for those who could not attend. This is the first in a series of webinars that will explore the latest innovations in conservation finance, law and policy, organization and governance, and stewardship.



Read on for new developments across our network - from South Africa, to Catalonia, to Australia!

In this newsletter:

- South Africa: First ever biodiversity tax incentive used
- Catalonia, Spain: Catalan Civil Code regulates Land Stewardship Contracts for the first time in Europe
- United States: 2017 Credit Suisse Conservation Finance Conference
- Australia: International Women's Day marked in Melbourne with an event celebrating women in conservation
- Steering committee spotlight: Sylvia Bates
- Upcoming events
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Grant Opportunity

The <u>IUCN National Committee of the Netherlands' (IUCN NL)</u> Small grants for the Purchase of Nature (SPN) program is accepting proposals through **May 1, 2017**.

The SPN program provides funds for local NGOs to acquire, through purchase or lease, threatened patches of wilderness to create or expand safe reserves and connect wildlife habitats. More information on this program can be found here.

Guidelines for submission of pre-proposals can be found here.

Highlights from the ILCN

We are excited to share stories from ILCN members. If you have a successful conservation initiative, story, event, or webinar to share, then please contact us at ILCN@lincolninst.edu.

First ever biodiversity tax incentive used in South Africa

South Africa has long been known for its innovative Biodiversity Stewardship initiative. It is now one of a few countries in the world that has successfully used a tax incentive to provide a financial benefit to landowners participating in that program.

South Africa's Biodiversity Stewardship initiative has been in place for over ten years. It allows private and communal landowners to enter into biodiversity stewardship agreements, thereby protecting and managing biodiversity on their lands. Agreements can range from non-binding, short-term arrangements to the declaration of a Nature Reserve (a perpetual agreement that offers a high-level of protection with the same legal standing as state-owned protected areas).



Surveying Biodiversity Stewardship sites (Photo: A Burns)

In 2015, <u>BirdLife South Africa</u> initiated the <u>Fiscal</u> <u>Benefits Project</u> with the aim of testing the use and

applicability of biodiversity tax incentives as a benefit for landowners declaring a range of Protected Areas through Biodiversity Stewardship.

Through a two-pronged approach focused on outreach to both landowners and lawmakers, the Fiscal Benefits Project successfully worked with the National Treasury, the South African Revenue Service, and other key stakeholders to introduce a new tax incentive into national legislation. The new *Section 37D* (also known as S37D) in the Income Tax Act provides a fiscal benefit for the long-term protection and effective management of areas vital to conservation and ecosystem functioning.

Through S37D, a landowner who has declared his property to be a Nature Reserve can deduct the value of the land from their taxable income. The value of the land is written off over 25 years, with the landowner receiving a deduction of 4% of the value of the property per annum.

At the end of 2016, S37D was, for the first time, included in the tax return of a property holder in the Waterberg Important Bird Area (IBA) in Limpopo. The property was declared a Nature Reserve in 2015 and protects birds, other biodiversity, and unique vegetation. It is also an important water source in the area and a supply of local jobs. This achievement sets a precedent for other privately-owned Nature Reserves to receive recognition through fiscal means.

This property is one of the Fiscal Benefits Project's ten pilot sites where the biodiversity tax incentive is being tested. The pilot sites are located in different ecosystems and have landownership arrangements, ranging from private individuals, to communities, large companies, and commercial operations. By testing the tool under a range of circumstances, the Fiscal Benefits Project will have a clear understanding of where and when the tool is most useful.

Currently, S37D only applies to newly designated Nature Reserves; however, the Fiscal Benefits Project is exploring whether this tool may be applied retrospectively.

The Fiscal Benefits Project is funded through the Global Environment Fund (GEF) 5 Biodiversity and Land Use Project in partnership with the South African Biodiversity Institute. For more information on S37D, see here, or contact Candice Stevens, Fiscal Benefits Project Manager and Tax Specialist at BirdLife South Africa at candice.stevens@birdlife.org.za.

The Catalan Civil Code regulates Land Stewardship Contracts for the first time in Europe

Montse Masó and Jofre Rodrigo, Xarxa de Custòdia del Territori (XCT)

Last month, The Plenary Assembly of the Parliament of Catalonia approved the sixth book of the Civil Code of Catalonia. This book covers obligations and contracts, which regulate Land Stewardship Contracts in Article 623-34. The new laws will come into effect on January 1st 2018, thereby strengthening private land stewardship practices.

Catalonia has its own civil law, based on the Roman legal tradition, that is separate from that of the rest of Spain. The process of codification of civil Catalan law started in the early 2000s and has provided a unique opportunity for the civil regulation of land stewardship.

Although the law provides a very open definition for the Land Stewardship Contract, it states some basic requirements. For example, the landowner, or other entity that has some rights over the land (such as a tenant), must sign the agreement with a not-for-profit organization that has land stewardship among its



The Government of Catalonia has been the first regional government in Spain to assign specific administrative functions for promoting land stewardship (Decree 342/2011, article 119.1). In this picture, some politicians are visiting "Estany del Coll", where there is a land stewardship agreement between the owner and Paisatges Vius Association (a land stewardship organisations). ("Cardit: Yaza of Distbifict Agl Cardino):

primary goals. Furthermore, the law gives freedom to the parties to set the contract terms, including obligations and the breach, the duration or guarantees, and the general contents.

Under the new rule, a Land Stewardship Contract can be binding between parties or binding to the land. The latter means that an agreement can be attached to the land's deed, therefore following the land title in the event of new ownership, similar to an easement or covenant. The Catalan civil code does not allow for contracts in perpetuity, but stewardship agreements can be as long as 99 years, with the potential to be renewed.



well as preservation of the environment. This is the goal of a project carried out in Menorca and Alt Empordà by GOB Menorca and IAEDEN. This is "Can Torres," a property in agreement with IAEDEN where they work to protect environmental values. (Credit: Xarxa de Custòdia del Territori)

This new regulation will help to standardize the contractual forms used across Catalonia to formalize Land Stewardship Agreements (which also include ownership, verbal agreements, buying of silviculture or grazing rights, etc.); particularly, those contracts between parties and those registered in the property deed.

This regulation has great significance for the public recognition of land stewardship as a civic strategy for the conservation of natural, cultural, and landscape heritage. When looking internationally, this is also a novelty, particularly for countries with civil code structure, since only Chile has adopted a law (Law no. 20930 in June 2016) that establishes "environmental conservation in rem right." The

Catalan experience will add to the body of knowledge around land conservation tools in civil code countries and will, hopefully, inspire other countries to provide appropriate regulating mechanisms for civic and private nature conservation.

Last but not least, the Government of Catalonia is currently working to implement a public Register of Stewardship Agreements and a tax incentive framework for land stewardship that will be linked to the register. All those contracts under the law that meet minimum requirements to ensure legal and technical quality, as well as effectiveness in preserving the natural values, might enroll in the Registry. All registered agreements

will be eligible for future tax incentives, especially those that allow for maximum long-term security. Therefore, the development of the Registry will be another key milestone for the development of effective land stewardship practices in Catalonia.

See the text (in Spanish) of the new Land Stewardship Contract regulations (Article 623-34) and Catalonia's existing "in rem rights of partial use," introduced in 2006 to the Catalan Civil Code (Articles 563-1 to 4), here.

XCT is a non-governmental organization created in 2003. Its mission is to promote land stewardship as a strategy to engage society in the conservation and management of the natural, rural and urban lands. One of XCT's priorities is assisting with the development of legal and policy measures to promote land stewardship. It currently has 160 members, including stewardship organizations, local authorities, businesses, universities, and individuals.

For more information on XCT, Catalan Land Stewardship Agreements, and the new regulations in book six of the Catalan Civil Code, please contact Montse Masó at mmaso@custodiaterritori.org.

2017 Credit Suisse Conservation Finance Conference

On March 2, 2017, some 200 global leaders in conservation finance gathered at the New York offices of Credit Suisse to continue the effort to mainstream the practice of conservation finance (a short video of conference highlights is available here). The 2017 conference was the fourth in a series, initiated in San Francisco in 2014 with the goal of identifying and advancing conservation finance projects that are investable, replicable and scalable. This year's program included a focus on international issues and included multilateral lenders, international fund managers, and investment advisors. ILCN staff Laura Johnson and Jim Levitt, as well as ILCN Steering Committee member Peter Stein, were in attendance

In thinking about how conservation finance efforts might be scaled up, several common challenges emerged. For example, participants considered how appropriate performance metrics might be developed that would satisfy the requirements of institutional lenders. New metrics will be required when performance metrics used in existing asset classes, such as real estate and natural resources, are not relevant to the performance of financeable conservation projects as an asset class. In addition, presenters discussed the importance of understanding and assessing investment risks associated with financeable conservation projects. They also considered the need to explore mechanisms to mitigate risk in this emerging field.

One of the promising instruments discussed at the conference was Green Bonds/Impact Bonds. A panel discussed a bond issued by the District of Columbia, which is financing green infrastructure designed to handle storm water. This idea is being explored by several other cities.

Another conference session focused on the theme of "From Niche to Mainstream: US and International Developments." Topics ranged from the use of smaller banks in developing countries to onlend the capital provided by a European fund manager to environmental projects, to an innovative change in Chilean law allowing for the perpetual conservation of private property.

A recent <u>study</u> noted that some \$3 billion of impact funds are available today for conservation finance. Still the modest volume of investable projects is, as yet, unable to fully employ that capital. Therefore, creative thinking in this space will be necessary for scaling up and developing projects around the world.

To learn more about Credit Suisse's 2017 Conservation Finance Conference, please see their website or contact Peter Stein at peterstein@lymetimber.com. A full report will be available on the website in the coming months.

International Women's Day marked in Melbourne, Australia with a 'Celebrating women in conservation' event

Victoria Marles, Trust for Nature

It's become one of the hottest tickets on the conservation calendar in Melbourne, Australia – an annual breakfast held in honor of International Women's Day to celebrate Australian women's contributions to conservation. Held for the 6th year running, the event sold out with nearly 500 guests. It is hosted annually by ILCN member Trust for Nature, in partnership with Australian conservation organization Bush Heritage Australia. The breakfast was sponsored by the National Australia Bank through its Natural Value program.

This year's keynote speaker was Dr. Anne Poelina, an accomplished Indigenous Australian who has worked across the areas of Indigenous health, education, language and community development in Western Australia. Currently, she is leading a case submitted to the People's Tribunal for the Rights of Nature Australia to have the Mardoowarra (the Fitzroy River in the Kimberley region of Western Australia) recognized as a 'living entity, with a right to life.'

Dr. Poelina shared her time and insights about the value of relationships: relationships between people, land, and those things that aren't traditionally thought



Photo Credit: Caitlin Wheal, Bush Heritage Australia

of as being able to have relationships – such as rivers and trees. She urged attendees to rethink the definition of science to embrace more than 1,000 years of Indigenous ecological knowledge.

Event attendees spanned a broad range of sectors well beyond the environmental sphere, including the financial, governmental and scientific sectors. Host organizations Trust for Nature and Bush Heritage Australia see the event as a unique opportunity to expose a broad audience to the many different faces that conservation can wear, and the many different people working toward securing privately protected areas.

Steering Committee Spotlight

Sylvia Bates

Sylvia Bates has been working in land conservation for the last 30 years. Inspired by nature and wildlife, she pursued a degree in environmental biology and found herself at the start of the United States' land trust movement.

One of her earliest jobs was with the Land Trust Exchange, today known as the Land Trust Alliance (the Alliance), where she participated in the development of the first Land Trust Standards and Practices, issued in 1989. Created by the land trust community itself, these voluntary Standards describe how to operate a land trust legally, ethically, and in the public interest, with a sound program of land transactions and land stewardship.

Nearly 20 years later, in 2006, she rejoined the Alliance as Director of Standards and Educational Services, where, most recently, she led a major update of the <u>Land Trust Standards and Practices</u>. She also works on cutting-edge issues related to land trust assessments, education, and policy.



Although her career has generally had a national focus, she has always been interested in the international applications of private land conservation. In 2012, Sylvia coordinated the first international roundtable at an Alliance Rally in Salt Lake City, UT. These international roundtables helped lead to the creation of the International Land Conservation Network (ILCN).

Since that time, Sylvia has served on the ILCN's Steering Committee as the Alliance's liaison to the international land trust community. She has also been involved in land trust policy in Canada, both serving on the Board of Directors of the American Friends of Canadian Land Trusts from 2009 to 2015 and working with Canadian land trusts to ensure consistency between U.S. and Canadian Standards.

Sylvia hopes that, as more people learn what they can do as private individuals to affect change, land conservation will increase around the globe. This is the critical role of the private land conservation movement.

Upcoming Events:

Linking Nature and Culture in World Heritage Site Management June 6-16, 2017 Røros Mining Town and the Circumfrence, Norway

This new program emerged as a response to the growing concerns over the divide between nature and culture within many aspects of the World Heritage process. This divide is evident despite one of the defining characteristics of the World Heritage Convention is that the protection and management of both natural and cultural values of Outstanding Universal Value falls under one international instrument. There is now a growing recognition and interest in bridging the divides and differences between nature and culture, and addressing commonalities and possible shared opportunities in managing heritage sites. The deadline for applications is March 31, 2017. More information is available here.

The Conservation Finance Bootcamp

June 12-16, 2017, Durham, North Carolina, USA

Now in its eleventh year, this intensive week-long course aims to help professionals utilize innovative and effective financing strategies for land and resource conservation, restoration, and stewardship. The course will offer in-depth information on trends and opportunities in public funding, private investment capital, bridge financing and loans, gifts and grants, income from the land, and monetized ecosystem services. There will be a strong emphasis on practical, hands-on tools and lessons from relevant case studies. Attendees will have an opportunity to consult with conservation finance experts on projects or problems from their work. More information is available here.

International Congress for Conservation Biology *July* 23-27, 2017

Society for Conservation Biology's 28th International Congress for Conservation Biology (ICCB 2017) will focus on Insights for sustaining life on Earth, responding to the need for conservation science to help create a better tomorrow for both biodiversity and people who depend upon it. The Congress welcomes participants interested in conservation science and its application to policy and practice. More information is available here.



See more on the ILCN's Calendar of Events.

Please take our survey

We are currently compiling a survey of organizations around the world that are engaged in the conservation of private land.

If you have not yet completed our survey and feel that your organization's work is in line with the mission of the ILCN, then we invite you to please take our brief survey and to share it with relevant partners.



Many thanks to our content contributors: Candice Stevens (Fiscal Benefits Project Manager and Tax Specialist, BirdLife South Africa), Montse Masó (Stewardship Responsible, Xarxa de Custòdia del Territori - XCT), Jofre Rodrigo (Secretary of the board, XCT), Pat Coady (Senior Director, Seale & Associates, Inc.), Jim Levitt (Manager of Land Conservation Programs, Lincoln Institute of Land Policy), Victoria Marles (CEO, Trust for Nature), and Sylvia Bates (Director of Standards and Educational Services, Land Trust Alliance).

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Lincoln Institute <u>publications</u> help solve global economic, social, and environmental challenges through creative approaches to the use, taxation, and stewardship of land.

All of the books, reports, and other items in the catalog are available to purchase and/or download on the Institute's website, and their adoption for academic courses and other educational meetings is encouraged.

The mission of the International Land Conservation Network is to connect organizations and people around the world that are accelerating voluntary private and civic sector action that protects and stewards land and water resources.

Learn more at landconservationnetwork.org.





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