

## **Forest Owners' Views on Incentive Based Instruments for Biodiversity Conservation in Private Forests - A Choice Experiment Approach**

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Ecological, economic and social sustainability should be simultaneously taken into account in modern forestry, as well as in conservation of forests. In order to achieve conservation goals in the long run, the conservation policy should be socially acceptable. Landowners' property rights are in a central role when new tools for implementing nature conservation are introduced. Last year, Finland launched an extensive policy programme on conservation of biodiversity, especially focusing on conservation issues in non-industrial private forests (NIPF). The programme proposed new policy instruments based on economic incentives and voluntariness on the part of forest owners, such as conservation contracts.

This project aimed at understanding which factors are the most important for the acceptability of biodiversity conservation in private forests with a focus on the new methods. Using a choice experiment method, we examined the preferences of forest owners for different attributes of conservation contracts. Information on preferences was collected by a postal survey to 3 000 Finnish forest owners.

The results of the study show that two thirds of the respondents considered the present level of conservation in private forests in Finland to be appropriate. Forest owners who had more positive views towards forest conservation were characterised by high education, high occupational status, urban domicile and ownership of only a small forest area. Respondents with negative attitudes were more likely to be men, farmers and those forest owners whose forests had been compulsorily entered into conservation contracts. A majority of forest owners strongly emphasized the importance of property rights, sovereignty in decision-making and adequate compensation in regard to the acceptability of a conservation contract. The importance of total voluntariness in conservation was emphasized and especially top-down approach was not accepted. The welfare analysis shows that the terms of the contract are of great importance to forest owners as the demand for compensation rises manyfold with undesirable factors.