“Conservation agreements” have been implemented since 2009 by Baishuijiang NNR and Shanshui Nature Conservation Center to help solve deforestation and reduce the use of chemicals on tea farms. CAPPP support from 2015 to 2017 helped to protect 6,500 hectares of forest and riparian areas from destructive activities, while also improving the capacity and income of local communities.

**What is a “conservation agreement”?’**

It is a deal between a community and a group or person funding a conservation project. In exchange for making specific conservation commitments, communities receive benefits from the funder.

**THE COMMUNITIES AGREE TO:**

- Organize the patrolling of public welfare forests (agreed-upon protected areas) to stop illegal activities, such as logging, changing use of forest areas, hunting, etc.
- Organize patrolling of vehicle passes in agreed-upon protected forest area
- Conduct fire safety promotion training for personnel in forest areas
- Report fires, diseases, pests, and rodents in a timely manner

**IN RETURN FOR:**

- A community protection and development fund to support the development of public affairs, environmental protection works, and ecological-based businesses

**INVESTMENT**

**CAPPP:** $18,750  
**Government funds:** $109,375/yr until 2020  
**Kiehl’s:** $5.6M  
**New World Development:** $7.3M

**IMPLEMENTERS**

**Shanshui Nature Conservation Center** is a private nature conservation organization that works with partners to conduct fieldwork in the still-preserved areas of western China, demonstrating a new model of ecological, economic and community balance.

**Partners**

**Kiehl’s**
- Provided funding and trainings on pesticide hazards, standardized use of chemical fertilizers and watershed management

**New World Development**
- Helped 108 households to develop low-carbon green homes

**Baishuijiang National Nature Reserve** was established in 1978 to protect giant pandas and other wildlife and is responsible for monitoring of the conservation agreements.

On the border between China’s Sichuan and Gansu provinces, the Baishuijiang National Nature Reserve (NNR) provides important habitat for the giant panda and other species. It is also home to the 225 households that comprise the Liziba village, where tea production is the main income source, and to the only watershed that supplies drinking water to 30,000 people.
MONITORING

Shanshui organized the annual biodiversity and socioeconomic assessments by hiring independent consultants and a team from Lanzhou University. The consultant interviewed communities, while the university team analyzed data. In addition, the analysis also included indicators for community compliance with the agreement. Monitoring results were shared in a community meeting to evaluate whether the community had met its conservation agreement commitments.

RESULTS

68 villages surrounding Baishuijiang National Nature Reserve enaged in conservation agreements

6,500 hectares of giant panda habitat under improved management

Annual income from tea production/person

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>781</td>
</tr>
<tr>
<td>2017</td>
<td>1,547</td>
</tr>
</tbody>
</table>

Annual firewood use/household

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>2,500</td>
</tr>
<tr>
<td>2016</td>
<td>1,500</td>
</tr>
</tbody>
</table>

PRIVATE SECTOR ENGAGEMENT

Kiehl’s, a company with interest in restoration of giant panda habitat, issued two grants totaling 38 million RMB (US$ 5.6 million) to support the project and forest protection: Giant Panda Habitat Monitoring and Protection Project in 2017 and Landscape Giant Panda Habitat and Water Quality Project in 2018.

HSBC Water Program, which focuses on preserving the Upper Yangtze River watershed through forest conservation, invested 20 million RMB (US$ 2.9 million) to improve the community public welfare forest protection mechanism in the Baishuijiang NNR.

WHAT’S NEXT?

Shanshui continues to work with the Liziba community on a small project focused on livelihoods and panda habitat protection and will deliver training on forest management for a standardized management and improved conservation impacts.