

# CASH TRANSFERS REDUCE DEFORESTATION

## ANTI-POVERTY PAYMENTS



Anti-poverty cash transfer programs are becoming common in many nations with tropical forests.

## TROPICAL DEFORESTATION



This study evaluated the effects of anti-poverty payments on tropical deforestation. These payments are not directly linked to conservation outcomes.

16



Tropical countries have anti-poverty cash payment programs



Payments are usually conditional on health and education actions by the recipients.



Can poverty alleviation programs with no direct connection to environmental goals produce positive conservation outcomes?



## INDONESIA

PKH

Program Keluarga Harapan makes payments to poor households



15%

PKH payments account for 15% to 20% of recipients' household consumption

3rd

Largest area of tropical forest

20%

Of global tropical forest loss between 2000 and 2012

1st

Top emitter greenhouse gasses from forest loss

## STUDY DESIGN

7,468

Rural forested villages with access to PKH

266,533

Households receiving PKH payments in those villages

6 Years

Households receive payments for 6 to 9 years

## RESULTS



Exposure to PKH reduced forest loss by 30%



Almost half of the impact of PKH payments on forest loss was in biodiverse primary forests

Less forest loss in villages with longest exposure

PKH impact on forest loss

Less forest loss in villages with greater density of participating households



The PKH program was designed to reduce poverty but also reduced forest loss. Its impact on deforestation rivals that observed for conservation programs that offer direct cash payments for forest protection. PKH payments have the added benefit of directly assisting the poor.



If these findings from Indonesia are generalizable to other biodiverse nations, they offer hope that global efforts to eradicate extreme poverty and reverse the loss of biodiverse ecosystems can be complementary.

Modest, but persistent, transfers of cash to extremely poor households can provide both social and environmental benefits.

Want to learn more?

Science Advances

AAAS

[Click Here!](#)

JOHNS HOPKINS UNIVERSITY

<https://www.pauljferaro.com/>

NUS National University of Singapore

<https://sites.google.com/site/rhitas/igorangkir/>