

## ROLE OF ECONOMIC INCENTIVES IN BIODIVERSITY CONSERVATION

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### ABSTRACT

**B**iodiversity is often un-priced and un-valued. This often results in a “market failure” since there is little incentive for those using or affecting biodiversity to take it into account in their decision making. In economics parlance, the incentives need realigning to ensure development is based on the sustainable use of resources. This paper deals with economic cost of biodiversity decline, classification economic instruments for biodiversity conservation and demand and supply classification of economic instruments for biodiversity conservation. This paper outlines the direct approaches and indirect approaches of incentive mechanism towards biodiversity conservation. This paper concludes with some interesting findings along with policy suggestions.

**KEYWORDS:** Biodiversity, Biological Diversity, Ecosystems, Biological Resources.