

1 **Abstract:**

2 Ensuring that farmers' ex ante preferences are accounted for is crucial for the design of effective agri-
3 environmental contracts. We present a systematic review of 127 discrete choice experiment (DCE)
4 studies of farmers' preferences with respect to agri-environmental contracts. DCE studies evaluate two
5 central features of farmers' behaviour: 1) their willingness to accept land use prescriptions, such as
6 fertiliser use, application of pesticides, restrictions on cropping, livestock management, integration of
7 silvopasture, maintaining soil health or water use restrictions; and 2) their responses to variations in
8 incentive and commitment criteria, such as reward schemes, monitoring regimes, technical assistance,
9 flexibility of agreements, administrative burden and collaborative implementation. Our analysis
10 considers how these different elements are interlinked and applied in experiments to simulate
11 farmers' decision-making processes. We examine recent methodological improvements in explaining
12 farmer behaviour, including the accommodation of preference heterogeneity, the combining of
13 discrete (enrolment) and continuous decisions, and the incorporation of farmers' sense of identity.
14 DCEs have been applied for the ex ante analysis of different policy instruments to inform the European
15 Common Agricultural Policy and agri-environmental schemes outside the EU. The results of this
16 systematic review may be useful in informing the future design of such agri-environmental programs.
17 The database underpinning this systematic literature review may help peer scientists to a) compare,
18 validate and triangulate their own findings with respect to other experimental approaches, b) use
19 previous willingness-to-accept (WTA) measures as priors for their own study design and c) identify
20 research gaps regarding farmers' preferences for agri-environmental measures.

21 **Keywords:**

22 Choice modelling, stated preferences, discrete choice experiments, agri-environmental policy, agri-
23 environmental contracts, environmental governance, ex ante evaluation

24

25 **JEL codes:**

26 **Q15, Q51, Q57**

27 **1. Introduction**

28 The environmental benefits of agri-environmental measures hinge on the widespread adoption and
29 implementation of specific practices across large areas (Wilson and Hart, 2001; Siebert et al., 2006;
30 Dessart et al., 2019). Moreover, since most of these measures are voluntary, their success depends on
31 farmers' actual willingness to participate. The willingness of farmers to participate in agri-
32 environmental measures is strongly influenced by their perceptions, available resources, and options
33 – all of which are affected by behavioural factors and opportunity costs (Schaub et al., 2023).
34 Understanding the behavioural factors driving farmer decision-making is essential, as these factors are
35 found to play a more significant role in actual adoption of agri-environmental measures than
36 sociodemographic factors (Thompson et al., 2023). This situation has stimulated research into farmers'
37 acceptance of various policy mechanisms that lead to more efficiently designed environmental policies
38 and a better alignment of policy instruments with stakeholder preferences (Lienhoop and Schröter-
39 Schlaack, 2018).

40 Experimental approaches to designing agricultural environmental policies have gained significance, as
41 they allow for assessing the expected costs and benefits of new policy proposals before
42 implementation (El Benni et al., 2022). Economic experiments are conducted in controlled settings to
43 establish causal relationships among different variables (Lefebvre et al., 2021). This enables the testing
44 of the acceptance of variations in policy instruments and enhances legitimacy for policy action (Thoyer
45 and Préget, 2019). In addition, experiments can address the shortcomings of existing research, such as
46 avoiding social desirability and strategic bias that may arise from using self-declared measures in
47 surveys (Dessart et al., 2019). Given the potential for impact assessment, ex ante evaluation of policy
48 measures became an integral part of the EU Common Agricultural Policy (CAP) under EU financial
49 regulation (Thoyer and Préget, 2019). In addition to randomised controlled trials (RCTs) and field
50 experiments, discrete choice experiments (DCEs) are commonly used for ex ante agricultural policy
51 evaluation, as they provide a tool to study both the individual and joint influences of various policy
52 characteristics (Hanley and Czajkowski, 2019).

53 DCEs are particularly suitable for assessing the design of prospective policies because they facilitate
54 cost-effective investigations of the preferences of a large group of representative respondents. In
55 addition, DCEs enable us to quantify preferences for different environmental practices and
56 institutional contract features in monetary terms (Colen et al., 2016). In particular, DCEs allow for
57 measuring policy-relevant aspects, such as compensation premiums needed for farmers to participate
58 in particular schemes (Espinosa-Goded et al., 2010) or predicting adoption rates of agri-environmental

59 measures before the introduction of changes in long-term agricultural policies (Waldman and
60 Richardson, 2018).

61 Despite a considerable number of available DCE-based studies on farmers' contractual design
62 preferences for agri-environmental measures, the existing evidence is scattered. Previous studies have
63 attempted to summarise the empirical literature and outline the influence of selected contract
64 elements on the acceptance of agri-environmental climate measures (AECM)¹ in Europe (Mamine et
65 al., 2020; Tyllianakis and Martin-Ortega, 2021). However, these studies have not sufficiently elucidated
66 the specific management constraints or contextual factors within which these contract elements were
67 investigated. This review aims to fill this gap and systematically analyse preferences for agri-
68 environmental measures by specifically considering land use prescriptions imposed on farmers. Thus,
69 a) preferences for agri-environmental contracts are made comparable, and b) research gaps can be
70 clearly noted.

71 This paper contributes to the current literature in four major ways. First, this paper provides a structure
72 of empirical evidence by systematically reviewing the current state of the literature on farmers' stated
73 preferences for agri-environmental measures. Second, it identifies how applications of DCEs to
74 farmers' preferences have evolved over time, exploring common patterns and differences in terms of
75 geographical regions, agricultural measures, and contract design features, and depicts methodological
76 advances. Third, it considers empirical findings and highlights areas where the evidence is mixed and
77 likely context dependent. Finally, it identifies gaps in the literature, highlights design features that
78 remain under-researched and makes recommendations for future research.

79 **2. Discrete Choice Experiments – in a nutshell**

80 DCEs are a survey-based stated preference method commonly used for nonmarket valuation in
81 controlled experimental settings (Colen et al., 2016). The theoretical foundations of DCEs are based on
82 Lancaster's theory of value, which states that goods do not have inherent value but rather that their
83 value stems from the attributes that describe them (Lancaster, 1966). Depending on the attributes'
84 levels, goods can be described differently and accordingly valued by respondents. In DCEs,
85 combinations of attribute levels are used to construct alternatives of goods. These combinations are
86 created by researchers in the experimental design to capture trade-offs between different attributes.

¹ European “funding mechanism aiming to provide financial support to farmers to contribute to the protection or enhancement of biodiversity, soil, water, landscape, or air quality, or climate change mitigation or adaptation”

<https://www.project-contracts20.eu/glossary/agri-environment-climate-measures/>

87 Power analysis and Monte Carlo simulations are employed to optimise the design and determine
88 necessary sample sizes (Rose and Bliemer, 2013). A series of choice sets, each usually containing two
89 alternatives, is then presented to participants, who are asked to select their preferred option for each
90 choice scenario (Colen et al., 2016). This process allows researchers to elicit participants' preferences
91 and quantify the value they place on different attributes within the context of the study.

92 The analysis of choices and thereby valuation of attribute levels is based on random utility theory,
93 which states that an individual's utility depends on a deterministic and random utility component
94 (McFadden, 1974). The parameters of the deterministic component of the utility function can be
95 estimated, and the marginal rate of substitution, representing the trade-off between individual
96 attributes, can be calculated. If an attribute serves as the payment vehicle, measures of willingness to
97 pay or willingness to accept can be constructed, which are particularly relevant for policy design. In
98 the context of agri-environmental measures, DCEs can help determine the cost of compliance with
99 different contracts.

100 Compared to revealed preference methods, which are based on observed actual behaviour, DCEs offer
101 several advantages. First, a DCE allows researchers to elicit preferences for goods and services that do
102 not yet exist, making it popular for conducting ex ante policy analysis, i.e., evaluating policies before
103 implementation. Second, DCEs enable the establishment of causal relationships through the
104 systematic variation of the attribute levels of the presented alternatives (Hanley and Czajkowski,
105 2019). Third, compared to incentivised economic experiments, no incentives contingent on behaviour
106 are needed, and involved trade-offs are less obvious to the respondents, which mitigates strategic
107 response bias (Villamayor-Tomas et al., 2019).

108 One primary drawback of DCEs is the nature of hypothetical bias, as responses are based on
109 hypothetical scenarios rather than actual observed behaviour (Colombo et al., 2020). In other words,
110 there is a risk that participants behave differently in the survey as they would in reality. To address this
111 issue, insights from mechanism design theory have been used to derive three conditions to restore
112 incentive-compatible behaviour in DCEs and hence alleviate the disadvantages of DCEs (Carson and
113 Groves, 2007). First, participants must believe that their responses will influence policy. Second, the
114 payment vehicle must be coercive. Last, survey participation should be seen as a "take it or leave it"
115 offer to discourage strategic behaviour during the survey.

116 Due to the mentioned advantages and relatively inexpensive implementation with large sample sizes,
117 DCE studies are employed in policy design to investigate the acceptance and cost effectiveness of
118 differently designed policy measures. In the context of agricultural environmental policy, DCEs are

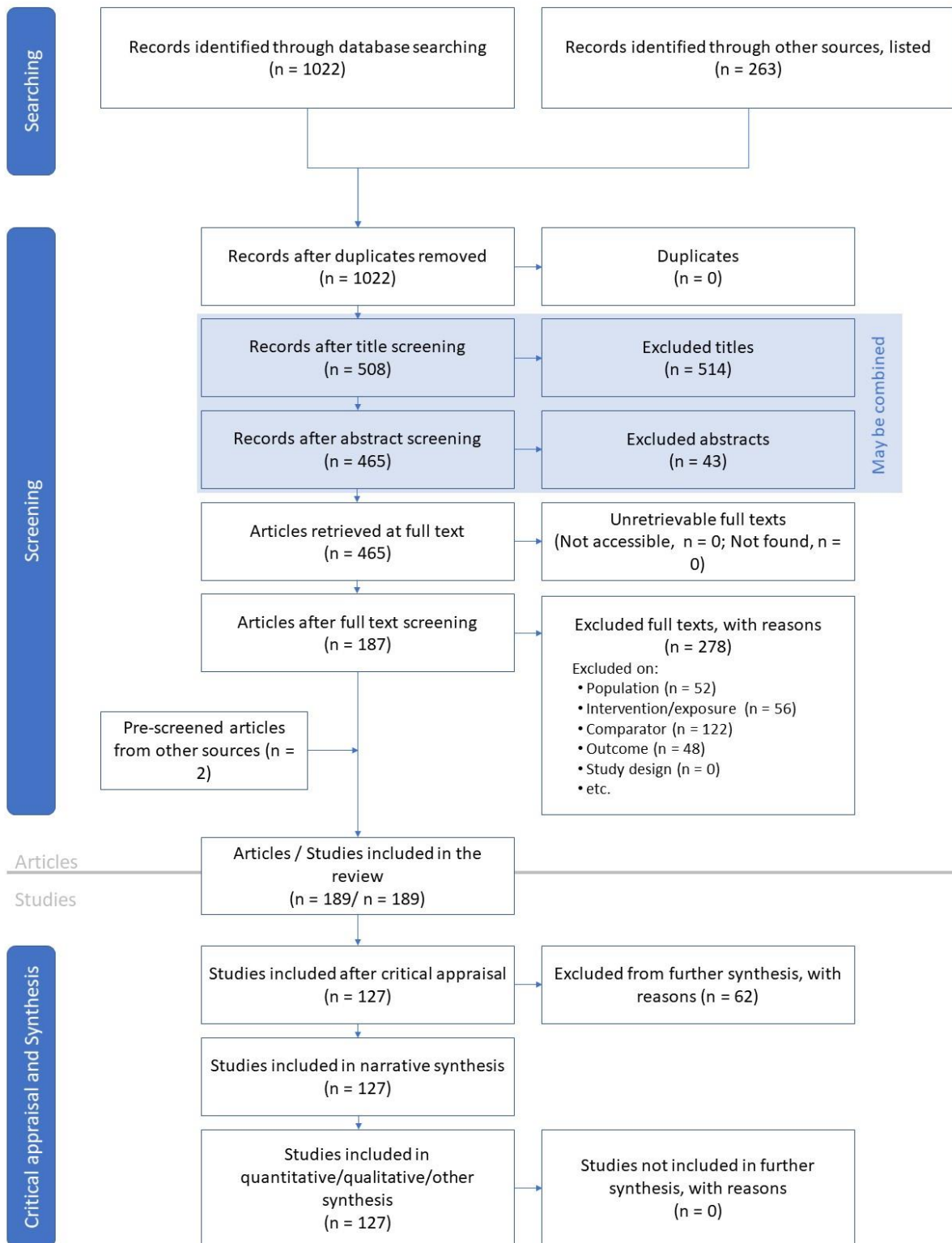
119 frequently used to examine the acceptance of various agri-environmental climate measures and
120 calculate necessary compensation payments for these measures.

121 This literature review examines the contexts in which DCEs have been applied, the attributes used to
122 describe agri-environmental measures, and the compensation payments resulting from these studies.

123 **3. Literature search**

124 The systematic literature search was carried out in both ISI Web of Science and Google Scholar. We
125 followed a structured approach to synthesise the empirical literature on DCEs conducted with farmers
126 to learn about their preferences for agri-environmental measures. The *Reporting Standards for*
127 *Systematic Evidence Syntheses in Environmental Research (ROSES)* formed the basis of the applied
128 research protocol to provide reliable, valid, and replicable results (Haddaway et al., 2018). Figure 1
129 depicts the process of the search, screening and critical appraisal of the literature. For more detail,
130 please see supplementary material 1.

ROSES Flow Diagram for Systematic Reviews. Version 1.0



131

132

Figure 1: Flow chart depicting the literature search process

133 Starting in 2020, we scanned the peer-reviewed academic literature of articles published in English. To
 134 capture the diversity of definitions concerning agri-environmental programmes, we deliberately

135 searched for keywords, such as “payments for ecosystem services”, “common agricultural policy” or
136 “conservation agriculture”, along with “agri-environment” in combination with “farmer preferences”.
137 The abstracts were then screened in detail to verify whether the studies actually focused on agri-
138 environmental programmes. In the subsequent reading, special attention was given to whether the
139 applied attributes of the experimental designs specifically dealt with constraints in the sense of land
140 use prescriptions or contract design features. The extended methodology of the review, including the
141 extensive search string, protocol, sources searched, selection criteria, and complete list of studies, is
142 available in supplementary materials A and B. In the end, our analysis included papers that were
143 published until September 2023. In total, we identified 127 studies that met our criteria.

144 **4. Brief overview of existing studies**

145 The earliest DCE study on farmers’ agri-environmental policy preferences was published in 2006 and
146 studied farmers’ valuation of agrobiodiversity on Hungarian small farms (Biol et al., 2006). Since then,
147 DCEs have been applied around the globe to improve agri-environmental policy design.

148 The geographical distribution of DCEs shows in which countries farmer preferences have been strongly
149 investigated and where on the other hand, there are still many blind spots. The vast majority of studies
150 identified were carried out in Europe (55 studies) and assessed preferences towards participation in
151 AECM of the CAP.

152 In North America (10 studies), conservation programs such as the CRP have been the most prominent
153 subject of preference studies in the US (Petrolia et al., 2021). In contrast, in Latin America (11 studies),
154 the research focus has been primarily on the institutional design of payments for ecosystem services
155 (PES), using preference elicitation to evaluate trade-offs between different land uses (Lliso et al., 2020;
156 Torres et al., 2013).

157 Only a relatively small number of countries in Africa (25 studies) have been the subject of DCE studies
158 focusing on conservation agriculture practices (e.g., Waldman et al., 2017). Such studies of farmers’
159 preferences have recently been carried out mostly in East Africa (Ethiopia, Kenya, Tanzania, Malawi
160 and Madagascar) and West Africa (Nigeria, Benin and Mali).

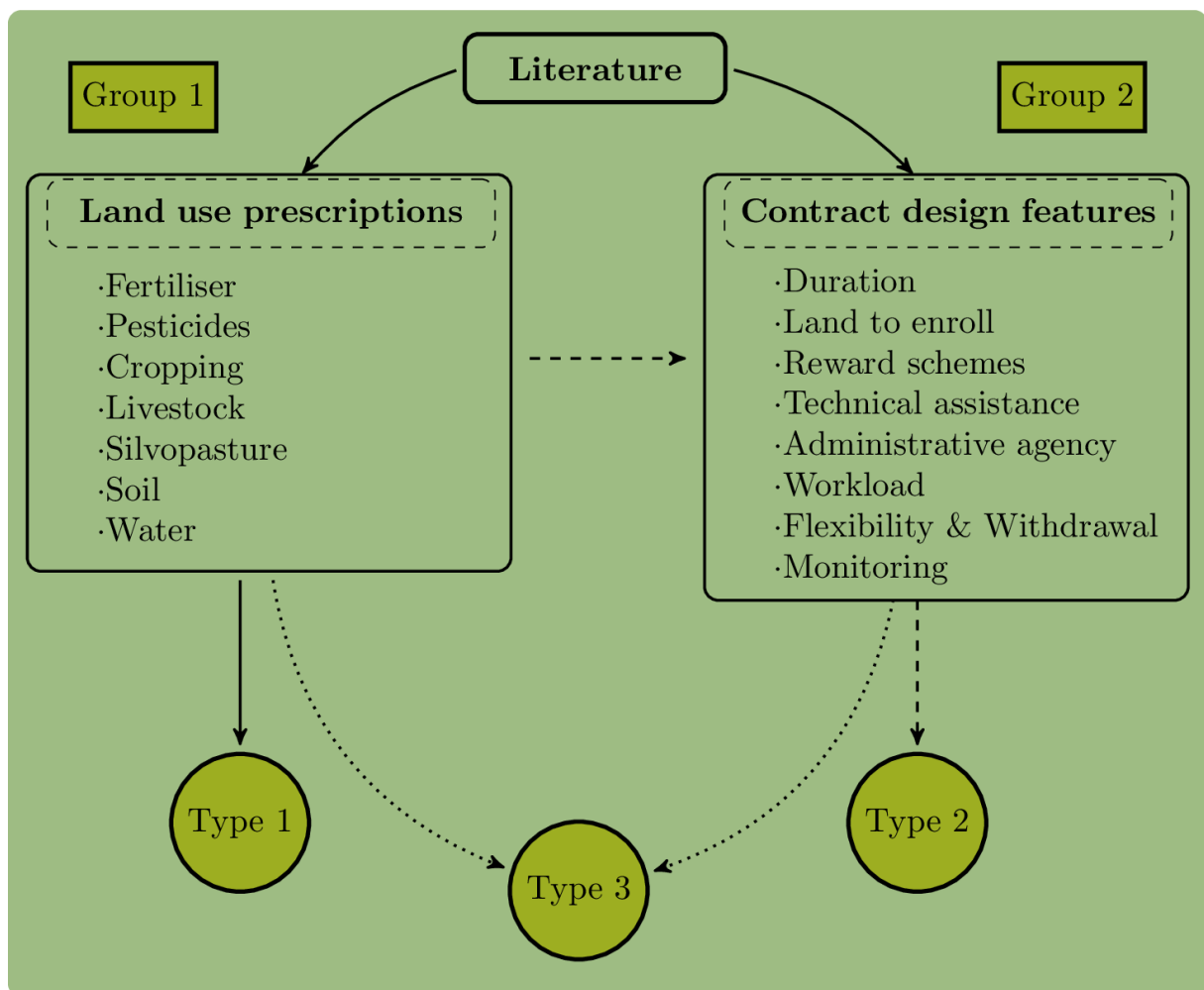
161 Concerning Asia, DCEs addressed mostly smallholder farmers in China (4 studies) in the context of PES
162 (Chen et al., 2009) or conversions to organic agriculture (Hope et al., 2008).

163 **5. Stated preference-based evidence for agri-environmental policies**

164 To structure the systematic review of the literature, we follow the observation by Le Coent et al.
 165 (2017), who distinguish between two types of DCE studies conducted with farmers (depicted in detail
 166 in Figure 2 below):

167 1) Studies whose attributes address land use prescriptions through agricultural activities, and

168 2) Studies whose attributes relate to institutional economic and agri-environmental contract design.



169

170

Figure 2: Classification of DCE studies with farmers

171 The first group of DCEs addresses preferences for land use prescriptions to be implemented when
 172 participating in agri-environmental measures. The attributes of the studies address concrete
 173 environmental measures and regulations of agricultural activities that should be part of the agri-
 174 environmental measures. These studies examine land use prescriptions, such as fertiliser use or
 175 stocking density, and hence involve trade-offs between sustainable practices and profitability. The
 176 attributes of these types of DCE applications reflect marginal changes in land use prescriptions that
 177 aim to mitigate negative environmental impacts or enhance the environmental status of agricultural

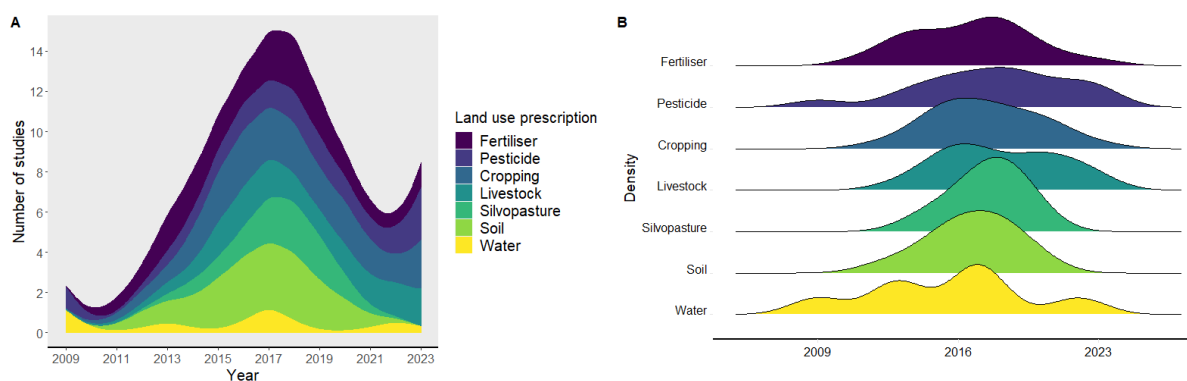
178 land. Prominent examples of land use prescriptions are limits on fertiliser applications (Latacz-
179 Lohmann and Breustedt, 2019), prescribed crop rotations (Schaafsma et al., 2019) and livestock
180 management requirements (Danne and Musshoff, 2017).

181 The second group of studies, in contrast, focuses on preferences related to the contractual elements
182 of agri-environmental measures. Similar to the studies in the first category, these studies establish a
183 context that includes factors such as reductions in fertiliser or pesticide usage, as well as practices
184 related to soil conservation. However, there is a notable departure in experimental design: the
185 attributes under scrutiny do not describe agricultural activities and recommendations but instead
186 specify contract elements that either quantify the commitment needed for a contract or encompass
187 mechanisms designed to motivate farmers to participate in such contracts. These attributes may
188 manifest as aspects such as contract duration, monitoring procedures, or various reward and incentive
189 mechanisms. Consequently, these studies aim to evaluate the effectiveness of specific institutional
190 frameworks and policy mechanisms through DCEs, as demonstrated in the works of Le Coent et al.
191 (2017) and Mamine et al. (2020).

192 The following sections provide more detail on the presented dichotomy of DCE studies and their
193 overlap in terms of studies that combine both elements.

194 5.1. Land use prescriptions

195 After an in-depth screening of the literature, we segregated the land use prescriptions into seven
196 categories: (1) fertiliser application, (2) use of pesticides, (3) water use constraints, (4) soil health
197 improvements, (5) cropping practices, (6) livestock management, and (7) silvopasture integration.
198 While Figure 3 depicts the stacked and individual distribution of land use prescriptions studied in DCE
199 studies, the following subchapters discuss each land use prescription in detail.



200

201

Figure 3: A. Stacked plot and B. Ridgeline density plot of land use prescriptions over time

202

Fertiliser application (21 studies)

203 The literature on DCEs that assess farmers' acceptance of land use prescriptions is extensive and
204 focuses particularly on preferences for policies affecting the permitted use of fertilisers. The DCE
205 literature either examines farmers' willingness to restrict conventional fertilisation or explores
206 preferences for alternative pathways of organic fertilisation methods. The prescriptions for fertilisers
207 manifest themselves in dose reductions of fertiliser applications or in policies to implement organic
208 fertilisation practices in which mineral fertilisers are prohibited.

209 DCE studies conducted in Europe looked at needed per hectare compensation payments for
210 percentage dose reductions in fertiliser applications in the UK (Beharry-Borg et al., 2013), Denmark
211 (Christensen et al., 2011), Belgium (Lizin et al., 2015) and France (Vaissière et al., 2018), eliciting
212 compensation payments ranging from 85 to 130 Euro/ha/yr, depending on the intensity of reduction
213 (see Table 1 for more detail). Moreover, a complete ban on fertiliser and pesticide use has been
214 investigated in the Netherlands, leading to needed compensation payments above 670 Euro/ha
215 (Thiermann et al., 2023). With regard to organic alternatives, German farmers largely preferred the
216 option of "mineral and organic fertilisation allowed" over "no fertilisation" or "organic fertilisation
217 allowed" (Latacz-Lohmann and Breustedt, 2019).

218 Outside the context of the CAP, studies did not explicitly examine the willingness to accept (WTA) in
219 payments per ha but found other measures to express compensation for more restrictive fertilisation
220 measures. One study assessed rice farmers' preferences in Benin for selling their product
221 independently as opposed to under a contract with specific requirements, such as the precise
222 application of fertiliser or a complete ban on fertiliser. Although smallholder farmers appreciated the
223 economic advantages of marketing under a contract, strict organic requirements were found to
224 undermine the adoption of contract farming (Van den Broeck et al., 2017). Similar evidence was found
225 in China, where rice farmers accepted lower payments in exchange for an eco-label on their product,
226 indicating a reduction in fertiliser application (Chang et al., 2017).

227 In the context of PES in Costa Rica, farmers preferred fertiliser use prescriptions over agroforestry or
228 no fertiliser use at all, as these latter options were perceived as too incisive in farmers' production of
229 agricultural goods (Allen and Colson, 2019).

230 *Pesticide application (14 studies)*

231 Similar to the research conducted on fertiliser prescriptions, studies covering the topic of pesticides
232 either address dose reductions or elicit preferences for alternative environmentally friendly pest
233 control measures.

234 In France, winegrowers were surveyed to assess their willingness to accept dose reductions in
235 vineyards in combination with permission for localised use of pesticides to control residual weeds,
236 finding reluctance of winegrowers to reduce the use of herbicides and application of localised chemical
237 weed control (Kuhfuss et al., 2016). In contrast, upstream farmers in Thailand prefer the application of
238 bioinsecticides over planting grass strips to improve downstream water quality (Sangkapitux et al.,
239 2009).

240 Instead of enforcing prescriptions on the dose of herbicides, other studies looked at alternative options
241 of pest control that go beyond the application of chemicals. In Thailand, farmers showed preferences
242 for creating native bee habitats outside their farmlands over implementing more accurate and bee-
243 friendly use of herbicides (Narjes and Lippert, 2016). Similarly, in Benin, farmers particularly value the
244 ecological benefits of nets compared to spraying insecticides (Vidogbéna et al., 2015). Having the
245 option to choose between mechanical weed control and the application of herbicides, German farmers
246 prefer the former, even though mechanical weed control is more costly and labour intensive. This
247 behaviour is explained by farmers' increased scepticism towards chemicals due to the growing
248 resistance of crops to herbicides (Danne and Musshoff, 2017).

249 *Water use constraints (7 studies)*

250 A relatively small body of literature is concerned with water management practices and water use
251 constraints. The focus of these studies can generally be divided into two subgroups. First, some of the
252 studies deal with prescriptions for flooding in certain regions to protect bird populations. The aim here
253 is to quantify the compensation payments needed to delay flooding of rice fields to provide threatened
254 bird species with sufficient time for breeding (Herring et al., 2022).

255 The second type of water use constraint looks at preferences for different irrigation systems to apply
256 water resources more efficiently and avoid potential water scarcity. Whereas no clear preferences for
257 water-saving technologies could be found in Thailand (Sangkapitux et al., 2009) or Tanzania (Kadigi et
258 al., 2013), farmers in Burkina Faso prefer drip irrigation systems over waste water use (Houessionon
259 et al., 2017).

260 *Soil health improvements (22 studies)*

261 There is a clear geographical divide with respect to the focus of the policy intervention. While tillage
262 and mulching are investigated within preference studies in Western countries, terracing and other
263 conservation agriculture practices are considered in preference studies in the global south. One major
264 reason for this difference is that no-tillage practices go along with costly external inputs such as
265 agrochemicals, which have rarely been affordable in the past to many farmers, e.g., in Africa

266 (Williamson et al., 2008). In the eastern part of sub-Saharan Africa, farmers are mostly exposed to a
267 dry climate and steeply sloped terrain, leading to high levels of soil erosion through either winds or
268 runoff from heavy rains. One way to address these high levels of erosion is to implement different
269 kinds of terraces (Ferro-Vázquez et al., 2017), which constitute “flat contoured plots divided by vertical
270 steps of stone [which] eases the cultivation and checks the erosion of the soil” (Grove and Sutton,
271 1989). These terraces are particularly relevant for marginal, steep terrains, which are typically prone
272 to runoff production and soil erosion (Socci et al., 2019).

273 DCE studies addressing terracing were exclusively conducted in Ethiopia, where different forms of on-
274 farm soil conservation measures were presented to respondents. A comparison of DCE applications
275 regarding terracing practices showed that compensation payments for adopting terracing measures
276 were similar. The hypothetical policies did not directly pay out money to the farmers, as is the case in
277 most other studies in this review. Policies offered improved access to credit and technical advice. The
278 authors argued that this policy is sufficient and more suitable to convince farmers to participate
279 (Kassahun and Jacobsen, 2015; Tarfasa et al., 2018; Kassahun et al., 2020).

280 Farmers in Malawi are indifferent towards projected tillage practices. However, increasing levels of
281 subsidies can potentially crowd in preferences for additional intercropping and residue mulching on
282 fields (Ward et al., 2016).

283 In the EU, DCE studies have investigated preferences for conservation ploughing methods (Aslam et
284 al., 2017) or tillage reduction (Zandersen et al., 2016; Jørgensen et al., 2020). In Spain, there is
285 significant heterogeneity in preferences towards tillage practices. Farmers tend to believe that tillage
286 is an inevitable measure to overcome resistant weed species and to avoid soil water evaporation.
287 These beliefs translate into the enormous compensation payments needed to reduce tillage in Spain
288 (Villanueva et al., 2015).

289 *Cropping practices (22 studies)*

290 Studies that we filed under the term “cropping practices” primarily address crop choice innovations
291 and classical aboveground cropping prescriptions. Hereby, preferences are assessed by attributes
292 regarding the type of crop cultivation and the restrictiveness of intercropping or crop rotations.

293 The majority of the studies in this category focus not on the characteristics of single cropping practices
294 but on comparing farmers’ preferred choices between different cropping practices, such as
295 intercropping vs. the uptake of innovative and more resistant crops. Additionally, benefits, e.g., in yield
296 or soil fertility, due to changes in management are considered in these studies. Quite obviously,

297 farmers always attached a positive value to these benefits. However, the influence of those benefits
298 on farmers' contract choice varied widely across countries.

299 While the benefits of increased yield do not trade off the perceived negative perception of cropping
300 prescriptions in France (crop rotation expressed in rice return time on the same plot; Jaeck and Lifran,
301 2014), the benefit of soil improvement is the most important attribute for the choice of smallholder
302 farmers for climate change adaptation options in Nepal (Khanal et al., 2018). Evidence from Austria
303 shows that the importance of the benefits in terms of increased gross margin varies with different crop
304 choices. While for grassland cultivation, the benefit of increased gross margin does not matter (in
305 comparison to AES payment), it is of greatest importance for the choice of cash-crop and short-rotation
306 coppice management (Pröbstl-Haider et al., 2016).

307 In the French West Indies, farmers are highly sceptical towards novel pesticide-tolerant crop
308 innovations and prefer agroecological solutions such as intercropping or improved fallow options
309 (Blazy et al., 2011). Similarly, in Thailand, farmers are reluctant to adopt agroforestry practices and
310 prefer the uptake of new drought-resistant crops. This decision comes as little surprise, as switching
311 to agroforestry involves considerably more effort than intercropping and is often even considered a
312 complete agricultural system change (Kanchanaroek and Aslam, 2018).

313 Addressing the redesigning of the CAP in Germany, farmers show preferences for permitted legume
314 intercropping in ecological focus areas, as they are willing to forgo 21 Euro per ha (Schulz et al., 2014).

315 In the African context, Ethiopian farmers clearly preferred applying compost to their farmlands instead
316 of legume intercropping (Tarfasa et al., 2018). In Malawi, multiple studies have focused on farmers'
317 preferences for intercropping practices, finding that farmers perceive intercropping and tillage as
318 substitute practices (Ward et al., 2016), that the groundnut intercropping system is the most preferred
319 system among farmers (Ortega et al., 2016), and that there are low preferences for climate-resistant
320 cropping options (Schaafsma et al, 2019).

321 *Livestock management (18 studies)*

322 Livestock and grassland land use prescriptions are closely interlinked, as resources obtained from
323 grassland management are commonly used as fodder to feed livestock (Luoto et al., 2003). This
324 situation either involves cutting and collecting grass through machines on grasslands (Latacz-Lohmann
325 and Breustedt, 2019) or free grazing by cows on pasture (Danne and Musshoff, 2017; Aslam et al.,
326 2017).

327 Cutting grass with machines may harm ground-breeding bird populations, as the timing of cutting grass
328 may interfere with particular breeding periods (Luoto et al., 2003). A common policy intervention is
329 thus to delay the date of cutting grass to ensure that bird breeding activities are over. Moreover,
330 certain flowers bloom in particular periods and should not be cut before they can reproduce or provide
331 food for insects. In that case, the farmer faces the following trade-off: the later they cut the grass, the
332 higher the chances are of preserving bird populations. However, the later they cut the grass, the lower
333 the quality of fodder for the livestock. The attribute used to reflect that trade-off is the “delay of
334 mowing date” used by studies in Germany (Canessa et al., 2023; Latacz-Lohmann and Breustedt, 2019)
335 and France (Vaissière et al., 2018).

336 In Ethiopia, livestock farmers operate under free grazing or cut-and-carry systems. Free grazing
337 regimes often suffer from soil erosion due to overgrazing, which is why cut-and-carry, relying on the
338 cooperation of farmers, is suggested. Age and labour cost are key determinants of the willingness to
339 cooperate in cut-and-carry systems, particularly as young farmers have positive expectations of
340 cooperation. More preference heterogeneity is explained by the steep plots of land owned by the
341 farmer. The steeper the plots are and thus the higher the cost of labour is, the higher the expectations
342 of cooperation (Kassahun et al., 2019).

343 Regarding the second mode of feeding, allowing too many cattle on the pasture decreases the recovery
344 rate of flowers and eventually leads to the depletion of grassland quality. Similar to cutting grass with
345 machines, policy interventions here are aimed at improving levels of bird populations by restricting
346 grazing activities either through cattle density on pasture or periods when cattle are banned from
347 pasture. Attributes to describe the farmers’ decision-making process in these situations are “intensive
348 vs. extensive grazing”, “grazing period” or “cattle density”. Finally, some studies precisely quantify the
349 compensation for cattle density. In Portugal, farmers require 493 Euro/ha per cattle of compensation
350 (Santos et al., 2015). This level is substantially higher than that found in Germany (171 Euro/ha per
351 cattle; Latacz-Lohmann and Breustedt, 2019), but it is justified by the particularly high opportunity
352 costs of extensive grazing in the study area.

353 *Silvopasture integration (13 studies)*

354 This category of land use prescriptions summarises measures that involve long-term biodiversity²-
355 enhancing projects that go beyond conventional cropping practices. Silvopasture in general is

² by “biodiversity” we refer to alpha-diversity, meaning the taxonomic diversity of species within a particular system (Hanley and Perrings, 2019).

356 understood as an integrated land use system combining trees, forage and livestock (Jose and Dollinger,
 357 2019). The inclusion of trees is often associated with numerous environmental benefits, such as
 358 enhanced microclimate, increased levels of biodiversity, reduced wind speed, improved soil fertility
 359 and a decrease in nutrient runoff (Schoeneberger et al., 2012). Moreover, silvopastoral systems are
 360 found to enhance carbon storage in agricultural landscapes (Mosquera-Losada et al., 2018).

361 Although there are a multiplicity of advantages that farmers accrue from silvopasture, research on
 362 farmers' ex ante willingness to integrate these measures remains limited. In Ecuador, farmers are
 363 willing to convert 1 ha of their land for agroforestry in return for lowering the credit interest rate by
 364 3% (Cranford and Maurato, 2014). In Thailand, farmers highly favour drought-resistant crops over
 365 agroforestry (Kanchanaroek and Aslam, 2018).

366 *Table 1. Summary of land use prescriptions*

367

Land use prescriptions				
<i>Class</i>	<i>Attribute</i>	<i>Study</i>	<i>Country</i>	<i>WTA</i>
Fertiliser	Dose reduction	Beharry-Borg et al. (2013)	UK	30 Euro/acre for 25% reduction 45 Euro/acre for 50% reduction
		Christensen et al. (2011)	Denmark	128 Euro/ha ban all fertiliser
		Vaissière et al. (2018)	France	-
		Van den Broeck et al. (2017)	Benin	5 Cent price premium on 1kg rice for precise application 20 Cent price premium on 1kg rice for complete ban
		Lizin et al. (2015)	Belgium	85 Euro/ha for 25% reduction
		Chang et al. (2017)	Taiwan	23 Euro/ha/year for ecolabel use
		Blazy et al. (2011)	Guadalupe (France)	n.s.
		Thiermann et al., (2023)	Netherlands	672.09 Euro/ha/year for complete ban
		Latacz-Lohmann & Breustedt (2019)	Germany	154 Euro/ha organic fertiliser 232 Euro/ha organic + mineral fertiliser
			Organic alternatives	

		Allen & Colson (2019)	Costa Rica	156 Euro/ha for organic agriculture	
		Houessionon et al. (2017)	Burkina Faso	208 Euro/ha for organic matter	
		Shittu et al. (2018)	Nigeria	152 Euro/ha for manure	
		Kadigi & Mlasi (2013)	Tanzania	75/ha	
		Czajkowski et al. (2019)	Poland	n.s.	
Pesticides	Dose reduction	Bennett et al. (2018)	China	12.6 – 32.4 CNY/ha per % in reduction	
		Do Prado et al. (2023)	Brazil	321 Euro/ha/yr and 525 Euro/ha/yr for 25% and 50% reduction in pesticides	
		Kuhfuss et al. (2016)	France	194 Euro/ha allowing localised use of pesticides	
		Lapierre et al. (2023)	France	347 Euro/ha/year for banning pesticides	
		Van den Broeck et al. (2017)	Benin	10 Cent price premium on 1kg for ban on pesticides	
		Thiermann et al., (2023)	Netherlands	n.s.	
		Sangkapitux et al. (2009)	Thailand	3 Euro/ha/year for applying bio-insecticides for each % of their agricultural area	
		Organic alternatives	Narjes & Lippert (2016)	Thailand	n.s.
			Vidogbéna et al. (2015)	Benin	3Euro for fast effective net
			Danne et al. (2019)	Germany	-
			Blazy et al. (2011)	French West Indies	n.s.
			Kanchanaroek & Aslam (2018)	Thailand	n.s.
			Chèze et al. (2020)	France	n.s.
			Silberg et al. (2006)	Malawi	10.3% of maize yield
	Salazar-Ordóñez et al. (2021)	Spain	193-349 Euro/ha (in bundles with other attributes)		

Cropping	Crop rotation	Jaeck & Lifran (2014)	France	ambivalent LCA
		Tarfasa et al. (2018)	Ethiopia	Compost >> Crop Rotation
	Intercropping	Schulz et al. (2014)	Germany	25 Euro/ha for planting legumes on EFAs
		Lapierre et al. (2023)	France	n.s.
		Ward et al. (2016)	Malawi	10.6 - 33.3 Euro/acre/year
		Schaafsma et al. (2019)	Malawi	Sorghum >> Pigeon pea
		Ortega et al. (2016)	Malawi	Groundnut >> Soy >> Pigeon pea
	Cover crops	Blazy et al. (2011)	French West Indies	2438 Euro/ha
		Silberg et al. (2006)	Malawi	13-27% of maize yield
		Villanueva et al. (2015)	Spain	4Euro/ha
Salazar-Ordóñez et al. (2021)		Spain	67-127 Euro/ha depending on intensity	
Livestock		Mowing date	Canessa et al. (2023)	Germany
	Latacz-Lohmann & Breustedt (2019)		Germany	5 Euro/ha/day
	Cut and carry	Vaissière et al. (2018)	France	-
		Thiermann et al., (2023)	Netherlands	33.99 Euro/ha for delaying mowing dates for two weeks
		Kassahun & Jacobsen (2015)	Ethiopia	56 days of labor and 387 Birr subsidy
	Grazing	Wachenheim et al. (2018)	USA	increase to 130.0202% of county rental rate
		Espinosa-Goded et al. (2010)	Spain	16-48 Euro/ha/yr
		Aslam et al. (2017)	UK	29 Euro/ha (intensive to extensive)
		Greiner (2016)	Australia	3 Euro/ha for short and 10 Euro/ha for long banning
		Danne & Musshoff (2017)	Germany	0.029 c/kg per day of additional grazing

	Cattle density	Santos et al. (2015)	Portugal	493 Euro/ha per cattle
		Latacz-Lohmann & Breustedt (2019)	Germany	171 Euro/ha per cattle
		Czajkowski et al. (2019)	Poland	49.8 Euro/ha
Silvopasture	Plant trees	Trenholm et al. (2017)	Canada	10.2 - 65.22 Euro/acre/year
		Pröbstl-Haider et al. (2016)	Austria	927 Euro/ha/year
	Agroforestry	Cranford & Mourato (2014)	Ecuador	3% reduction in interest rate for agroforestry
		Kanchanaroek & Aslam (2018)	Thailand	412 Euro/ha/year
		Raes et al. (2017)	Ecuador	n.s.
		Shittu et al. (2018)	Nigeria	7.86 Euro/ha/year
	Haile et al. (2019)	Ethiopia	0.28 Euro/ha/year	
Soil	Terracing	Kassahun & Jacobsen (2015)	Ethiopia	25 days of labor and 177 Birr subsidy
		Tarfasa et al. (2018)	Ethiopia	Terracing & trench >> planting biomass Vegetative bund >> soil bund >> fanya juu
		Tesfaye & Brouwer (2012)	Ethiopia	Soil bund >> fanya juu >> stone bund
	Tillage	Aslam et al. (2017)	UK	101 Euro/ha
		Ward et al. (2016)	Malawi	n.s.
		Gramig & Widmar (2017)	USA	3,14 – 4,69 Euro/acre
		Zandersen et al. (2016)	Denmark	25 – 100 Euro/ha
		Villanueva et al. (2015)	Spain	176.30 Euro/ha
		Wachenheim et al. (2018)	USA	-
		Jørgensen et al. (2020)	Denmark	1% of expected yield for 2.77% of tillage reduction
	Mulching	Ward et al. (2016)	Malawi	0.30 - 0.57 Euro/ % of acreage

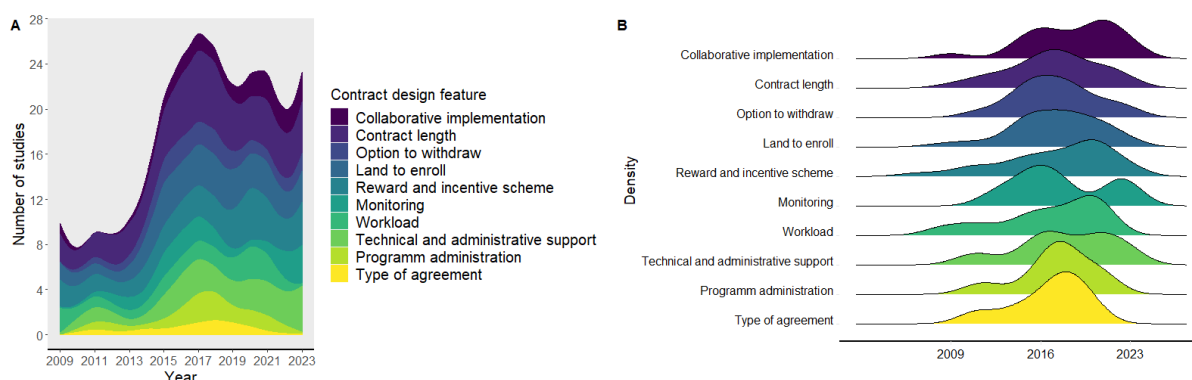
Water	Pollution	Jørgensen et al. (2020)	Denmark	-
		Beharry-Borg et al. (2013)	UK	ambivalent LCA
	Technology	Christensen et al. (2011)	Denmark	51.6 Euro/ha flexible buffer zone width
		Houessionon et al. (2017)	Burkina Faso	65 Euro/ha waste water use 327 Euro/ha drip irrigation
		Kadigi & Mlasi (2013)	Tanzania	n.s.
		Sangkapitux et al. (2009)	Thailand	n.s.
Nthambi et al. (2021)	Kenya	-		

Monetary values in Euro and 2022 PPP; "n.s." – not significant & not reported in study; "-" – no monetary compensation calculated

368

369 5.2. Contract design features

370 In this section, we examine the literature regarding the attributes used to describe the contract
 371 features of agri-environmental measures. Therefore, we make use of existing classifications of contract
 372 features of agri-environmental measures proposed by Mettepenningen et al. (2013) and Engel (2016).
 373 Similar to Mamine et al. (2020), we also distinguish between commitment and incentive attributes,
 374 where the former captures the effort, action or task needed to fulfil a contract, while the latter
 375 represent mechanisms to motivate farmers to engage in a contract. While Figure 4 below highlights
 376 the stacked and individual distribution of contract design features studied in DCE studies over time,
 377 the subsequent subchapters discuss findings of individual contract design features in detail.



378

379

Figure 4: A. Stacked plot and B. Ridgeline density plot of contract design features over time

380 Duration (commitment - 54 studies)

381 The duration of the policy schemes has been the most popular contract design feature analysed. From
382 the policy perspective, arranging long-term agreements to establish more resilient ecosystems is
383 desirable to reach environmental goals and reduce the administrative burden and therefore the
384 incurred transaction costs (Ducos et al., 2009). The opinions of farmers towards contract length are
385 ambivalent. On the one hand, long-term agreements facilitate planning ahead and guarantee a certain
386 income for a defined period, providing stability. On the other hand, many farmers are more reluctant
387 to enter long-term agreements to maintain a certain flexibility in land management options
388 (Bougherara and Ducos, 2006).

389 All studies that included program duration coded this element as years of commitment. The range of
390 this attribute clearly varied with the thematic focus of the research. For grassland and cattle
391 management, which affected the density of cattle per ha, the duration ranged between 1 and 20 years.
392 Policies that included prescriptions on fertilisation, soil management or cropping practices applied
393 timeframes between 1 and 10 years. In either case, longer durations of contracts were perceived as
394 negative and thus always associated with higher needed compensation payments.

395 *Reward and incentive scheme (incentive - 37 studies)*

396 In most cases, preference studies with farmers include remuneration per ha as the payment vehicle
397 for compensating farmers for imposed policy measures. Independent of the land use prescription,
398 many other financial incentives are subject to the contract design for hypothetical policy schemes. This
399 includes bonus payments (Vaissière et al., 2018), price premiums on agricultural products (Chang et
400 al., 2017; Tanaka et al., 2022), access to credit (Kassahun et al., 2019), and payment distribution rules
401 (Lliso et al., 2020).

402 Multiple studies conducted in Africa included the coverage of certain household expenses as incentives
403 for participation in policy programs. In Kenya, landholders prefer water provisions and water cost
404 waiving over direct cash payments (Balana et al, 2011). In contrast, in Nigeria, there is no significant
405 evidence whether offering 100% cash, 100% in-kind payments (such as improved seeds, organic
406 manure, farm equipment) or a mix of both as payment has an effect on agri-environmental program
407 uptake (Shittu et al., 2018). In Ethiopia, farmers demonstrate strong preferences for food, compared
408 to cash, as a mode of payment when being involved in tree planting activities (Haile et al, 2019).

409 Often, farmers incur upfront costs when implementing new environmental policies, encompassing
410 significant and long-lasting opportunity costs for participants in terms of the net value of production
411 foregone (Kuhfess et al., 2017). These transaction costs might resemble an important bottleneck for

412 the uptake of new programs. In the US, cost covering has no effect on farmer enrolment in agri-
413 environmental programs (Sorice et al., 2011; Wachenheim et al., 2018a; Yeboah et al., 2015).

414 In Europe, bonus payments as a medium to accelerate the uptake of environmental policy have been
415 studied extensively. In Spain, farmers see a trade-off between per-hectare payments and fixed one-off
416 payment per contract, as they are willing to accept a decrease in 20.5 Euro/ha of annual payments in
417 return for a one-off payment (Espinosa-Goded et al., 2010). In France, farmers are willing to forgo 157
418 Euro/ha/year to receive a bonus paying 200 Euro/ha/year for meeting biodiversity criteria, leaving 43
419 Euro/ha/year of cost to the implementer of the programme (Vaissière et al., 2018). With respect to
420 winegrowers in France, including a threshold bonus, meaning a payment issued when a threshold level
421 of area enrolled in the scheme was attained, is particularly effective. In that case, farmers are even
422 willing to forego larger amounts of annual payments, as the bonus would pay (Kuhfuss et al., 2016).

423 Taking up the collective approach, various studies have examined farmers' preferences for either
424 individual or collective payments in Africa. In Uganda, farmers involved in watershed management
425 have a clear preference for individual payments over community payments (Geussens et al., 2019). A
426 similar finding arises in Tanzania, involving a collective payment to a village development fund for the
427 maintenance of the agroforest created by the community. However, this collective payment does not
428 alter farmers' decisions to participate in the PES programme (Kaczan et al., 2013).

429 In many developing countries, access to credit appears to be a major barrier that prevents farmers
430 from engaging in nature conservation activities. In Ecuador, improved credit conditions indeed foster
431 the uptake of agroforestry practices (Cranford and Mourato, 2014). The concept of facilitating access
432 to credit by applying sustainable land management practices has also been applied in Ethiopia in the
433 context of soil management practices, using loan repayment as a payment vehicle (Kassahun et al.,
434 2019; Tarfasa et al., 2018; Tesfaye and Brouwer; 2012).

435 Payment distribution rules, the mechanism under which farmers are paid, play an important role in
436 farmer participation in agri-environmental measures. When comparing rules based on land, effort or
437 simply paying everyone equal, landholders in Colombia favour distribution rules based on rewarding
438 applied effort, highlighting the importance of fairness in PES payments (Lliso et al., 2020).

439 Tax reductions were also used as an incentive mechanism in Australia and the US. In both cases,
440 farmers prefer a payment over tax relief (Kreye et al., 2017; van Putten et al., 2011).

441 *Technical and administrative support (incentive - 27 studies)*

442 The successful implementation of agri-environmental measures requires that farmers be well
443 informed about the proper execution of certain programs. For many environmental programs,
444 technical intermediaries between policy makers and farmers assist and inform new environmental
445 programs (Schomers et al., 2015). In contrast to other contract design attributes, studies assessing
446 preferences for technical assistance tend to focus purely on the institutional design of programs and
447 are thus not often combined with attributes regarding land use prescriptions.

448 Several dimensions of assistance were included in the DCE. Studies in developing countries include the
449 services of intermediaries to increase the credibility of agricultural projects (Costedoat et al., 2016;
450 Lliso et al. 2020) or offer physical training for the successful implementation of policy schemes (Khanal
451 et al., 2018). While in Colombia (Lliso et al., 2020) and Mexico (Costedoat et al., 2016), farmers do not
452 have preferences for advisory service providers, smallholders in Nepal would give up 6 euros of their
453 monthly earnings for adequate capacity building in climate change adaptation programs (Khanal et al.,
454 2018).

455 Other studies include services that aim to decrease farmers' transaction costs of enrolling in and
456 successfully integrating a program. These applications usually test the option of having technical
457 assistance while implementing AECM (Hasler et al., 2019; Espinosa-Goded et al., 2010; Van Putten et
458 al., 2011; Kuhfuss et al., 2016; Lienhoop and Brouwer, 2015; Franzén et al., 2016; Häfner and Piorr,
459 2021). In that instance, farmers are consistently willing to forego compensation payments to receive
460 advice.

461 *Land to enrol (commitment - 36 studies)*

462 This attribute was initially coded as the "share of farmland enrolled in the programme", unambiguously
463 leading to larger needed compensation payments for larger areas put under contract. However, over
464 time, this changed towards discrete continuous approaches, confronting farmers first with a discrete
465 choice on the contract option and second with the area involved in the schemes (Latacz-Lohmann and
466 Breustedt, 2019; Vaissière et al., 2018; Kuhfuss et al., 2016). This discrete-continuous approach allows
467 researchers to identify farmers' preferred contracts to further disentangle determinants of land
468 allocation for farmers' preferred contracts.

469 *Administrative Agency (commitment - 16 studies)*

470 In particular, for studies that aim to determine general terms of agreement for a conservation scheme,
471 issues of procedural equity and thus choice of contract providers were the subject of preference
472 studies. In addition to ensuring distributional equity, farmers in Colombia favour community

473 participation in the design process of PES schemes, hence striving for procedural equity as well (Lliso
474 et al., 2020).

475 This context was also investigated in Africa, where very different results were found. Farmers prefer
476 NGOs as contract providers over community development associations (Shittu et al., 2018). Similar
477 evidence is found in Zambia, where farmers also prefer NGOs to local governments as contract
478 providers (Vorlaufer et al., 2017). In Ethiopia, however, farmers prefer agri-environmental measures
479 provided by the regional government (Tarfasa et al., 2019). This observation was justified by existing
480 supply networks of agricultural inputs of regional governments, including fertiliser and improved seeds
481 to smallholder farmers in the area.

482 *Workload and administrative burden (commitment - 22 studies)*

483 Another important trade-off that farmers must address is the needed time that they must invest to
484 successfully implement a program. Clearly, the more time they need for the administration and
485 performance of an environmental program, the less likely they are to sign a contract. Common
486 attributes to capture the workload of a program are “administrative commitment” (Ruto and Garrod,
487 2009; Chèze et al., 2020; Mariel and Meyerhoff, 2018), reflecting the needed paperwork or “labour
488 days” (Van den Broeck et al., 2017; Hope et al., 2008), which display the physical work effort of the
489 policy measure. Workload is considered a somewhat generic attribute relevant to all land use
490 prescriptions. In the context of developing countries, workload was interpreted as labour days that
491 must contribute to the policy measure (Kassahun and Jacobsen, 2015; Tarfasa et al., 2018; Ortega et
492 al., 2016; Jacobsen et al., 2018), whereas in Europe, it was seen as administrative effort and paperwork
493 (Mariel and Meyerhoff, 2018; Ruto and Garrod, 2009). Clearly, in all cases, farmers dislike placing more
494 effort into program administration, independent of paperwork or physical workload.

495 *Termination (incentive - 17 studies)*

496 Closely linked to the duration of a contract, withdrawal from an agreement is included as an option in
497 some preference studies. Farmers highly appreciate the option to cancel a contract if they realise that
498 they cannot effectively implement a program on their land. This option gives farmers additional
499 flexibility (Christensen et al., 2011).

500 The design of the contract element is quite similar across the literature and in almost all cases binary
501 coded, meaning a farmer either has the option to withdraw from the contract or does not have the
502 option. Few studies have extended this idea by incorporating unexpected external conditions (Greiner,
503 2016) or minimum contract durations (Broch and Vedel, 2012), after which the potential release option
504 can be realised.

505 This feature was mostly included in studies involving prescriptions on livestock. The rationale is that
506 prescriptions on livestock and grassland management mostly address the mode of harvesting fodder
507 for cattle. Having the option to terminate a contract allows farmers to react to weather extremes and
508 cut grass before it becomes unusable as fodder (Greiner, 2016). In Australia, farmers particularly value
509 an option to suspend the programme for one year under extreme weather circumstances (Greiner,
510 2016).

511 *Monitoring (commitment - 18 studies)*

512 Policy makers clearly want to ensure that farmers comply with the imposed land use prescriptions.
513 Therefore, a share of the total population of farmers who are enrolled in an agri-environmental
514 program are subject to monitoring. Regarding the CAP, monitoring involves farm visits by authorities
515 to see if farmers are complying with regulations such as mowing dates and farm area for conservation
516 programs (Bartolini et al., 2012). Being monitored by authorities involves a risk of sanctioning. Thus,
517 AECM uptake is affected by the intensity of monitoring.

518 Most studies dealing with crop and soil prescriptions added the monitoring attribute in their choice
519 scenarios. This addition is intuitive, as the feasibility of checking compliance with certain policies varies
520 with the type of policy in place. The application of fertilisers is more difficult to monitor due to the
521 prescriptions imposed on tillage.

522 The vast majority of DCE studies including a monitoring attribute were conducted in developed
523 countries and coded the attribute as the “share of farmers monitored” (Villanueva et al., 2015; Broch
524 et al., 2013; Mariel and Meyerhoff, 2018), ranging from 1% to 30%. In the case of soil protection
525 programs, there is no effect of monitoring on program enrolment (Mariel and Meyerhoff, 2018;
526 Villanueva et al., 2015).

527 Other studies provided options, such as self or external monitoring (Canessa et al., 2023; Greiner, 2016;
528 Thiermann et al., 2023) and regular or irregular control (Li et al., 2017), or even provided options
529 regarding the monitoring agency (Kreye et al., 2017). Self- and nongovernmental monitoring seemed
530 to positively affect farmers’ choices regarding programme enrolment (Canessa et al., 2023; Thiermann
531 et al., 2023).

532 In Tanzania, farmers show preferences for monitoring schemes under which farmers are accountable
533 to their peers. In turn, farmers dislike policy options and external monitoring agencies (Kaczan et al.,
534 2013).

535

Table 2. Summary of contract design features

Contract design features				
<i>Feature</i>	<i>Attribute</i>	<i>Study</i>	<i>Country</i>	<i>WTA</i>
Duration (Commitment)				
Land to enroll (Commitment)				
Reward scheme (Incentive)	in-kind	Balana et al. (2011)	Kenya	-
		Shittu et al. (2018)	Nigeria	17.5 Euro/ha (50% cash and 50% in kind)
		Haile et al. (2019)	Ethiopia	14.85 Euro/ha (food instead of cash)
	Installation cost	Wachenheim et al. (2018)	USA	-0.2108% of lands rental rate
		Yeboah et al. (2015)	USA	n.s.
		Sorice et al. (2011)	USA	-
	Certification	Hope et al. (2008)	India	-
		Chang et al. (2017)	Taiwan	NTD\$ 717
	Bonus payments	Espinosa- Goded et al. (2010)	Spain	30-46Euro/ha/yr for 1000 upfront payment
		Vaissière et al. (2018)	France	174 Euro/ha/yr for conditional 200 Euro/ha/yr bonus
		Kuhfuss et al. (2016)	France	120 Euro/ha/yr for 30 Euro/ha/yr bonus payment
		Šumrada et al. (2022)	Slovenia	Forego 47 Euro/year/ha for receiving 40 Euro/year/ha when target enrollment in area is reached
		Thiermann et al., (2023)	Netherlands	forego 336.80 Euro per ha for a 1000 collective bonus for achieving environmental results

		Thiermann et al., (2023)	Netherlands	forego 294.59 Euro per ha for a 5000 Euro individual bonus for ditch inundation on their farm
	Community payment	Geussens et al. (2019)	Uganda	131 Euro required for communal payment 87 Euro required for 50/50 individual communal payment
		Kaczan et al. (2013)	Tanzania	n.s.
		Costedoat et al. (2016)	Mexico	Cash > collective agricultural productive project > community public good
	Tax reduction	Kreye et al. (2017)	USA	Payment per acre >> Tax reduction >> Depredation payment >> >> SHA agreement
		Putten et al. (2011)	Australia	ambivalent, depending on LC
	Access to credit (as payment vehicle)	Kassahun et al. (2019)	Ethiopia	(payment vehicle)
		Tarfasa et al. (2018)	Ethiopia	(payment vehicle)
		Cranford & Mourato (2014)	Ecuador	(many scenarios)
		Tesfaye & Brouwer (2012)	Ethiopia	(payment vehicle)
	Payment distribution	Lliso et al. (2020)	Colombia	n.s.
Technical support (Incentive)	Credibility of program	Costedoat et al. (2016)	Mexico	n.s.
	Training	Khanal et al. (2017)	Nepal	6 Euro of monthly earning

		Šumrada et al. (2022)	Slovenia	Mandatory training: Forego 76 Euro/ha/year when selecting the training service Forego 60 Euro/ha/year when training is annual farm expert visits
	Technical assistance	Espinosa-Goded et al. (2010)	Spain	reduction of 6-13% of compensation payments
		Lienhoop & Brouwer (2015)	Germany	258 Euro/ha
		Hasler et al. (2019)	Denmark, Estonia	31 Euro/ha/year (Denmark) 130 Euro/ha/year (Estonia)
		Franzén et al. (2016)	Sweden	[graphical representation of coefficients]
		Putten et al. (2011)	Australia	n.s.
		Trenholm et al. (2017)	Canada	157 Euro/acre/year
		Kuhfuss et al. (2016)	France	115 Euro/ha/year
		Tanaka et al. (2022)	Japan	n.s.
	Administrative agency (Commitment)	Lliso et al. (2020)	Colombia	n.s.
		Vorlaufer et al. (2017)	Zambia	NGO >> Government
		Shittu et al. (2018)	Nigeria	NGO >> Community Development Association >> Government >> private
		Tarfasa et al. (2018)	Ethiopia	Regional goverment >> NGO
		Tesfaye & Brouwer (2012)	Ethiopia	Local government >> regional government

		Häfner and Piorr (2021)	Germany	horizontal/stakeholder-including institution >> regional government
Termination (Incentive)	Deviate from aims	Greiner (2016)	Australia	6.2 Euro/ha/year
	Cancel contract	Christensen et al. (2011)	Denmark	164 Euro/ha/year
		Broch & Vedel (2012)	Denmark	1467 Euro/ha
		Czajkowski et al. (2019)	Poland	51-167 Euro/ha/year
		Zandersen et al. (2016)	Denmark	7.4 Euro/ha/year
		Hasler et al. (2019)	Denmark, Estonia	46-148 EURO/ha/year
		Mariel & Meyerhoff (2018)	Germany	48-155 EURO/ha/year
Monitoring (Commitment)	Share monitored	Li et al. (2017)	China	623 Euro/ha/year
		Villanueva et al. (2015)	Spain	n.s.
		Mariel & Meyerhoff (2018)	Germany	n.s.
	Monitoring agency	Broch & Vedel (2012)	Denmark	48 Euro/ha/% of monitored farmers
		Canessa et al. (2023)	Germany	134.2 Euro/ha/year
		Greiner (2016)	Australia	n.s.
		Kreye et al. (2017)	USA	n.s.
	Kaczan et al. (2013)	Tanzania	33 Euro/acre/year moderate conditionality 71 Euro/acre/year high conditionality	
	Tanaka et al. (2022)	Japan	342 Euro/year/ha additional compensation when done by farmer instead of external expert	

		Thiermann et al., (2023)	Netherlands	forego between 427 and 458 Euro per ha if monitoring organised by bird director or bird protector
	Criteria	Šumrada et al. (2022)	Slovenia	337 Euro/year/ha lower payments in case of results based monitoring compared to prove implementation of prescribed practices
				129 Euro/year/ha lower payment for hybrid monitoring (instead of monitoring only prescribed practices)
Workload (Commitment)	Administrative commitment	Ruto & Garrod (2009)	EU	6-8% of annual hectare payments for higher workload
		Chèze et al. (2020)	France	109-151 Euro/ha/yr (contract or certification)
		Mariel & Meyerhoff (2018)	Germany	156.2 Euro/ha/yr (medium to high effort)
	Labor days	Ortega et al. (2016)	Malawi	high labor (instead of low labor) requirement traded off with 8.4% of maize yield
		Hope et al. (2008)	India	-
		Jacobsen et al. (2018)	Kenya	Increase of 8.8kg of yield for increased labor requirement
		Van den Broeck et al. (2017)	Benin	3 Cent price premium on 1kg for ban on pesticides
		Kassahun et al. (2019)	Ethiopia	(payment vehicle)

Banerjee et al. (2021)	Scotland	1.47 Euro per acre for additional hour per week
Silberg et al. (2020)	Malawi	9.2% of additional maize yield for high labor requirement

Monetary values in Euro and 2022 PPP; “n.s.” – not significant & not reported in study; “-” – no monetary compensation calculated

537

538 **5.3. Applicability of DCE typology and combination of land use prescriptions with contract design**
539 **features**

540 Despite the established dichotomy of DCE studies, the analysis reveals a strong interdependence
541 between land use prescriptions and contract design features. This is illustrated at the bottom of Figure
542 3 in which we further distinguish between three different types of studies.

543 In the first type of study, the attributes focus solely on preferences with respect to land use
544 prescriptions. These studies serve as a preliminary analysis of agri-environmental measures and aim
545 to determine whether farmers are willing to implement land use prescriptions. Since the attributes
546 usually represent various land use prescriptions, these studies investigate which type of measure is
547 preferred by farmers. Overall, the focus of these studies is relatively broad, and only a small proportion
548 of studies fall into this category.

549 The second type of study takes it a step further. In that case, land use prescriptions that are to be
550 achieved are defined in advance. Consequently, the attributes of these studies solely address the
551 necessary institutional framework conditions facilitating the implementation of predefined land use
552 prescriptions. In such cases, it is already known that farmers are generally willing to implement land
553 use prescriptions. Therefore, the attributes aim to fine-tune the contract of agri-environmental
554 measures. The focus of these studies is more specific compared to the first type.

555 On the other hand, the third type of study combines both groups, and the attributes target both land
556 use prescriptions and contract design features. The idea is to explore through interactions of the
557 individual attributes whether farmers are willing to implement particular land use prescriptions and
558 whether specific incentive mechanisms can leverage implementation. This type of study is conducted
559 when alternative land use prescriptions are often not available. The focus is also specific compared to
560 the first group, and most studies fall into this category. Figure 5 illustrates in which instances attributes
561 of both classes have been combined.

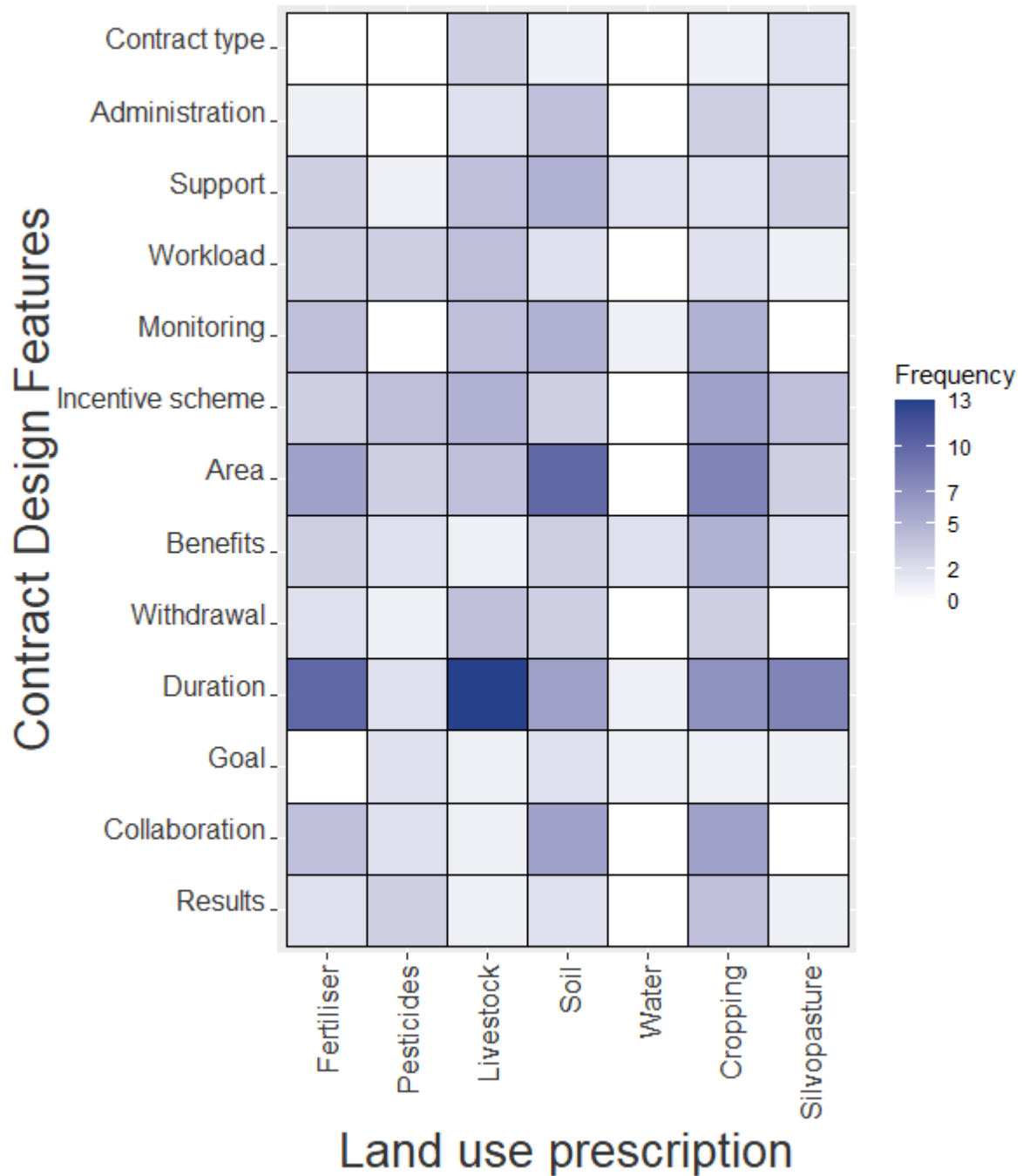


Figure 5: Heatmap of land use prescriptions and contract design features

562

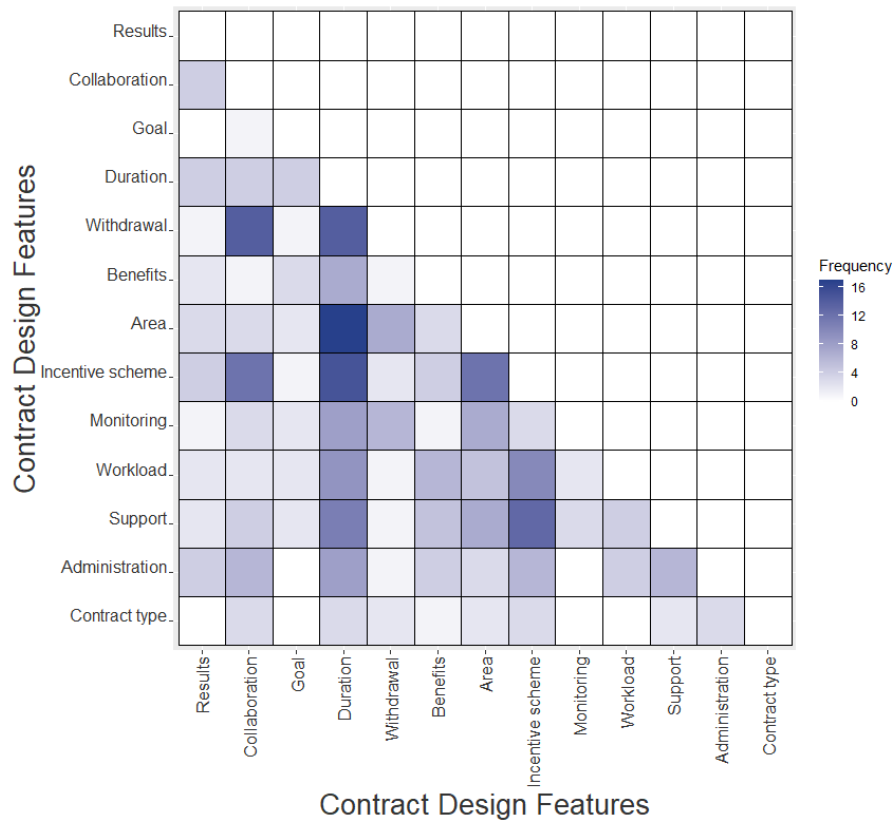
563

564 Most notably, the duration and area attributes were combined most frequently with other land use
 565 prescriptions, such as livestock and soil prescriptions. As mentioned earlier, certain contract design
 566 features do make particular sense with precise land use prescriptions, such as combining grazing
 567 prescriptions with the option to withdraw from an agreement to react to exceptional circumstances
 568 (e.g., extreme weather conditions) and cut grass for fodder at the optimal time (Czajkowski et al., 2021;
 569 Greiner, 2016; Wachenheim et al., 2018a). Other popular combinations are prescriptions on
 570 fertilisation with the duration of an agreement or soil management practices and incentive schemes.

571 First, thinking about longer-term contracts makes sense, as the effects on the ecosystem are long-
572 lasting and therefore need time to recover (Beharry-Borg et al., 2013; Latacz-Lohmann and Breustedt,
573 2019). The second combination, soil management and reward schemes, is used frequently, as it is
574 being studied, particularly in Africa, using in-kind payments as incentives for participation (Geussens
575 et al., 2019; Kassahun et al., 2020; Shittu et al., 2018).

576 Many of the considered studies examined several contract design features in parallel. Figure 6 shows
577 which features were combined with which frequency. Incentive and commitment features in particular
578 are frequently combined. The core idea of the choice scenarios of DCE studies is to show alternatives
579 in which the participants face trade-offs between the differently depicted attribute levels and choose
580 the alternative that provides the highest utility. The commitment features tend to address obligations
581 for farmers and subsequently contribute negatively to the willingness to participate in contract of agri-
582 environmental measures. The incentive features, on the other hand, reflect supportive elements of
583 contract implementation and are usually perceived positively. With that in mind, unsurprisingly,
584 commitment and incentive features are combined to investigate trade-offs. For example, termination
585 and duration (Bennett et al., 2018), reward schemes and area (Kisaka and Obi, 2015), and technical
586 support and duration (Lienhoop and Brouwer, 2015) are often jointly applied as attributes to
587 characterise contracts for agri-environmental measures.

588



589

590 *Figure 6: Heatmap of combinations of contract design features (upper right triangle and diagonal intentionally blanked out)*

591 In summary, land use prescriptions and contract design features should not be regarded
 592 independently; both dimensions must be considered jointly in the DCE for meaningful policy
 593 assessment. It is crucial that both aspects are included in the design of DCEs because farmers trade off
 594 the entire setup of a policy to make their decision, considering all aspects of the contract: land use
 595 prescription, contract design, and payment.

596 For example, farmers may agree with grazing prescriptions and the payment level. However, if the
 597 measure involves a high administrative burden, they may choose not to participate, despite what
 598 preference studies might suggest. A similar situation arises in peatland management. Although farmers
 599 may agree with water level increases and the associated payment, influential determinants of
 600 cooperation must be examined simultaneously (Häfner and Piorr, 2021).

601 Hence, studies that only consider land use prescriptions and ignore other factors that promote or
 602 hinder farmers' decisions may be misleading.

603 **5.4. Observable characteristics explaining preference heterogeneity**

604 Explaining preference heterogeneity is essential to comprehend which segments of the population are
 605 likely to adopt agri-environmental measures. Therefore, many DCE studies have included observable
 606 factors of preference heterogeneity in addition to attributes. These primarily encompass

607 sociodemographic farmer characteristics, such as age, gender, and income, as well as psychological
 608 aspects, such as risk perception and beliefs about climate change. Furthermore, farm characteristics,
 609 such as land size, farm ownership, and soil quality, are often collected to interact with DCE attributes
 610 and consequently infer enrolment in agri-environmental measures.

611 Regarding farmer characteristics, it appears that relatively lower-income farmers (Blazy et al., 2011),
 612 those with off-farm income (Allen et al., 2014; Bastian et al., 2017; Giefer et al., 2017), farmers
 613 experienced in AECM (Latacz-Lohmann and Breustedt, 2019; Lienhoop and Brouwer, 2015), and
 614 members of farmer organisations (Cortés-Capano et al., 2021; Espinosa-Goded et al., 2010) are more
 615 inclined to participate in AECM. Additionally, climate change beliefs and the perception that pesticides
 616 harm the environment contribute to AECM participation (Chèze et al., 2020; Khanal et al., 2018).
 617 Ambiguous effects are observed for age, education, and gender.

618 Conversely, when examining farm characteristics, farm ownership and management intensity are
 619 decisive factors for enrolment in agri-environmental measures. Generally, the more intensive the
 620 farming practices are, the less willingness there is to participate in AECM (Breustedt et al., 2013; Danne
 621 et al., 2019). Concerning ownership, farms operating on their own property are more willing to
 622 implement agri-environmental measures (Schaafsma et al., 2019; Shittu et al., 2018). Ambiguous
 623 effects are observed for productivity and the size of managed land.

624 *Table 3. Observable factors of preference heterogeneity and their effect on enrolment in agri-environmental measures*

625

<i>Farmer characteristics</i>	<i>Effect on participation in agri-environmental measures</i>	<i>Source</i>
	+	Khanal et al. (2018)
Age	-	Alló et al. (2015); Bhatta et al. (2022); Blazy et al. (2011); Šumrada et al. (2022)
Education	+	Allen and Colsen (2019); Alló et al. (2015); Hansen et al. (2018); Lienhoop and Brouwer (2015)
Environmental beliefs	-	Giefer et al. (2021); Villanueva et al. (2017)
	+	Chèze et al. (2020); Tanaka et al. (2022)
Experience	+	Lapierre et al. (2023); Latacz-Lohmann and Breustedt (2019); Lienhoop and Brouwer (2015)
Gender (female)	+	Allen and Colsen (2019);
	-	Giefer et al. (2021)
Income	-	Blazy et al. (2011); Sangkapitux et al. (2018)
Membership	+	Cortés-Capano et al. (2021); Espinosa-Goded et al. (2010); Sangkapitux et al. (2018)

Off farm income	+	Allen and Colsen (2019); Bastian et al. (2013); Giefer et al. (2021)
Risk averse	-	Lapierre et al. (2023)

<i>Farm characteristics</i>	<i>Effect on participation in agri-environmental measures</i>	<i>Source</i>
Intensity	-	Breustedt and Latacz-Lohmann (2013); Li et al. (2017)
Organic farming	+	Lapierre et al. (2023)
Ownership	+	Haile et al. (2019); Schaafsma et al. (2019); Shittu et al. (2018)
Productivity of land	+	Marciel and Meyerhoff (2018)
	-	Cortés-Capano et al. (2021)
Size	+	Khanal et al. (2018)
	-	Marciel and Meyerhoff (2018)

626

627 Aside from interacting observable farm or farmer traits with attributes, latent class models are
628 frequently employed. Latent class models capture preference heterogeneity across segments (classes)
629 of the population and assume uniform parameter estimates within the same class (Greene and
630 Hensher, 2003). The probabilities of class membership are estimated for each individual based on
631 socioeconomic covariates, such as age (Geussens et al, 2017; Kassahun and Jacobsen, 2015; Sardaro
632 et al., 2016), education (Geussens et al, 2017; Van den Broeck et al., 2017), experience (Canessa et al.,
633 2023; Houessionon et al., 2017; Ortega et al., 2016; Rakotonarivo et al., 2017), gender (Geussens et al,
634 2017), income (Broch and Vedel, 2012; Geussens et al, 2017), risk perception (Tyllianakis et al., 2023),
635 farm characteristics such as farm size (Houessionon et al., 2017), land characteristics (Jaeck and Lifran,
636 2014), ownership (Broch and Vedel, 2012), soil and water quality (Chang et al., 2017; Raes et al., 2017;
637 Zanderson et al., 2016), or organic farming status (Lapierre et al., 2023; Rocchi et al., 2017).

638 **6. Discussion and conclusions**

639 This systematic literature review provides insights into the trade-offs farmers face regarding
640 implementing agri-environmental measures on their farmland. In the remainder of this paper, we will
641 look at a) methodological developments, b) links to current policy discussions and c) potential avenues
642 of future research.

643 **6.1. Trends and methodological developments**

644 In terms of methodological advancements and the underlying econometric framework, we now
645 highlight three selected avenues that have received particular attention in the literature.

646 First, there has been an increasing use of econometric estimation methods that account for preference
647 heterogeneity. Notably, mixed logit models have been employed, allowing researchers to specify
648 distributions of preference parameters. Unlike multinomial logit models, these methods relax
649 fundamental assumptions, such as the assumption that all respondents have identical preferences and
650 that the error term is independent and identical for all alternatives and respondents. As a result, these
651 improved estimation models lead to better model fit, extract more information from the data, and
652 provide a better explanation of choices.

653 Second, substantial progress has been made regarding modelling the choice situations, extending the
654 discrete contract selection to be followed by a continuous choice. In this approach, participating
655 farmers first select the preferred contract and then specify the size of the area they would like to enrol
656 under the contract (Kuhfuss et al., 2016; Vaissière et al., 2018; Latacz-Lohman and Breustedt 2019).
657 This two-step discrete-continuous process yields more information from the DCE and allows for the
658 optimisation of contracts for agri-environmental measures. However, this has to be treated with
659 caution, as unobserved factors influencing contract choice might affect the choice of land under
660 contract. To control for this selection bias, Bourguignon et al. (2007) compare various selection bias
661 correction models using Monte Carlo simulations, which are then applied to explain the continuous
662 choice of land enrolled in contracts. In a recent study with German farmers, Latacz-Lohmann and
663 Breustedt (2019) employed this two-step discrete-continuous procedure to develop a contract
664 optimisation model for a specific conservation scheme.

665 Third, beyond preferences, researchers attempt to incorporate other determinants of behaviour using
666 DCEs. For instance, identities, defined as "a set of meanings that define who one is when one is an
667 occupant of a particular role in society, a member of a particular group, or claims particular
668 characteristics that identify him or her as a unique person" (Burke and Stets, 2009), are linked to the
669 implementation of different land uses (McGuire et al., 2015). In addition to influencing preferences,
670 identities also affect farmers' utility for contract attributes, which are captured separately from the
671 choice situations. Subsequently, the individual parameters are estimated in a hybrid choice model.
672 Hybrid choice models have seen limited application in the agricultural sector, focusing thus far only on
673 farmers' environmental identities and biogas investment decisions (Zemo and Termansen, 2021).
674 Regarding the ongoing debate about "What is a 'Good Farmer'?" (Burton et al., 2020), future studies
675 may explore the extent to which different identities (such as "productivist", "conservationist" or "civic-
676 minded") explain participation in agri-environmental measures.

677 **6.2. Policy contexts and reflection**

678 Within the EU's Common Agricultural Policy, there are ongoing debates and revisions with respect to
679 restructuring the budgetary allocations and thus the conditions under which payments are issued
680 (Runge et al., 2022). The post-2020 CAP reform seeks to provide farm income support, conditional on
681 respecting specific environmental standards. Moreover, the reform features a more decentralised
682 design, meaning that member states formulate their own strategic plans according to local specificities
683 (Petsakos et al., 2022). Hence, recently, new design features of incentives and delivery models of
684 payments have been investigated. These include, for instance, the willingness to accept result-based
685 schemes (Niskanen et al., 2021; OECD, 2022) or features to incentivise cooperation, e.g., through
686 threshold bonuses (Kuhfuss et al., 2016). In a wider context, the EU Green Deal combines several goals
687 to make future EU policies more sustainable, including the Farm-to-Fork Strategy, which has the
688 intention of making food systems fair, healthy and environmentally friendly (European Commission,
689 2020). To meet the requirements of the policy objectives, future DCEs could investigate the extent to
690 which farmers in Europe are interested in label-based approaches as alternative incentives to
691 participate in agri-environmental measures. Moreover, EU policy envisages that the implementation
692 of other policy instruments should be aligned with farmer preferences, for example, under the Nature
693 Restoration Law, which seeks to address the use of agricultural lands for natural habitat (European
694 Commission, 2022).

695 A different policy instrument applied around the globe is PES, which in many cases has a strong focus
696 on the conservation of biodiversity (Matzdorf et al., 2014). To design PES schemes effectively,
697 consideration of complex human-nature relationships becomes inevitable (Van Hecken et al., 2015).
698 While past research has primarily looked at the willingness and ability to participate in PES schemes
699 (Jones et al., 2020), the current academic discourse addresses the multiple equity dimensions in PES
700 scheme design (Loft et al., 2020; Friedman et al., 2018). The execution of schemes requires substantial
701 engagement not only by individual actors alone but also by communities working strongly together
702 (Ingram et al., 2014). Hence, some DCEs contained policy incentives in PES schemes that ensure social
703 equity through preferences for group accounts and involvement in decision-making processes (Lliso et
704 al., 2020). Experimental evidence from real effort tasks conducted in Southeast Asia has shown that
705 participants are willing to invest more effort in conservation activities once they realise that
706 distributional equity is ensured, meaning that all participants are paid equally per prepared seed bag
707 (Loft et al., 2020). A recent DCE followed up on this debate by considering community participation in
708 PES scheme designs and thus addressed the procedural equity dimension (Lliso et al., 2020).

709 **6.3 Research gaps**

710 Several novel features have appeared during the past 15 years to increase the compliance and
711 conditionality of agri-environmental contracts. In addition to different forms of monitoring, as tested
712 by Kaczan et al. (2013), result-based payments and collaborative approaches are being discussed as
713 innovative contract modes to increase the uptake of AECMs (OECD, 2022; Olivieri et al., 2021; Sattler
714 et al., 2023). While in some countries these features have already been piloted or even implemented,
715 DCE could be used to test whether these contract elements are accepted also elsewhere.

716 Results-based approaches

717 The majority of current agri-environmental policies intend to reward farmers for prescribed
718 management practices. Critics argue that these schemes inhibit farmers' flexibility in managing their
719 lands (Matzdorf and Lorenz, 2010). If, for example, farmers were rewarded for achieving
720 environmental results instead of detailed management practices, farmers could decide on their own
721 how to carry out programmes and thus make the best use of their knowledge and own experiences
722 (Bartkowski et al., 2021). From a theoretical perspective, result-based payments are argued to be more
723 cost-effective than practice-based schemes, as farmers will adopt fewer but more targeted abatement
724 measures on their lands when being paid for results (Sidemo-Holm et al., 2018). Recent empirical
725 evidence supports this argument and suggests that result-based payments are more cost effective than
726 practice-based payments (Wuepper and Huber, 2022). The idea of result-based payments is
727 particularly important in light of the incurred transaction costs of agri-environmental measures.
728 Empirical studies attempting to quantify farmers' transaction costs indicate that there is substantial
729 heterogeneity of costs between farmers due to different programme requirements, farm
730 characteristics or geographical circumstances (Mettepenningen et al., 2013). Authorities are rarely
731 aware of individual farm cost structures and hence reimburse farmers for agri-environmental practices
732 based on average cost calculations. This information asymmetry often leads to self-selecting contracts,
733 meaning that only scheme participants with lower-than-average costs are likely to engage in agri-
734 environmental measures (Ferraro, 2008; Latacz-Lohmann and Breustedt, 2019). Accounting for farm
735 heterogeneity in practice-based contracts implies tailoring contracts to individual farms' needs,
736 potentially leading to exorbitant transaction costs. Result-based payments may alleviate this issue by
737 allowing farmers to choose the option that might be most cost effective for them (Niskanen et al.,
738 2021). Hence, under a regime of result-based payments, there might not be a need for sophisticated
739 guidelines. Instead, farmers would pursue the most cost-efficient measures to achieve predefined
740 results.

741 However, result-based payments are not without risks, as environmental outcomes may not
742 materialise due to external influencing factors, such as unexpected weather conditions (Ayambire and

743 Pittman, 2021; Burton and Schwarz, 2013). Moreover, among the risks is the potential decline in
744 participation rates, leading to fewer AECM implementations compared to equivalent action-based
745 schemes (Matzdorf and Lorenz, 2010). A potential solution to this issue could be a hybrid option
746 consisting of an independent basic payment complemented by a results-dependent premium payment
747 (White and Hanley, 2016). Recent evidence from the UK (Tyllianakis and Martin-Ortega, 2023) and
748 Germany (Canessa et al., 2023) shows that hybrid contracts are the preferred type of contract among
749 farmers.

750 Currently, limited applied DCE research includes precise results-based payments in their frameworks.
751 In a few cases, these payments have involved predefined biodiversity targets expressed in species
752 abundance (Sorice et al., 2011; Tanaka et al., 2022; Thiermann et al., 2023), yield projections (Waldman
753 et al., 2017), success of tree planting activities (Schaafsma et al., 2019) or water quality improvements
754 (Niskanen et al., 2021). There is abundant room for further progress in determining how farmers
755 compare practice- and result-based programs once they truly have the option to select between the
756 two.

757 Future studies should examine which incentive mechanisms prove effective for farmers so that they
758 opt for result-oriented AECMs. Further research on hybrid schemes, bonus payments, and labelling
759 approaches indicating farmers' environmental commitment could be considered for this purpose.

760 Collective approaches

761 Another important contract feature involves incentives to work collectively and implement agri-
762 environmental measures at a landscape scale. Recent empirical evidence from public goods games
763 suggests that farmers are more cooperative, as experts predict, suggesting that farmers might also join
764 efforts to work collectively within AECM (Rommel et al., 2022).

765 This practice has become common in the Netherlands, thus producing the term “Dutch model”. Within
766 this Dutch model, farmers form collectives that negotiate agri-environmental contracts with local
767 entities (Franks and McGloin, 2007). These collectives have the advantage that through collaboration
768 at a landscape scale, scheme effectiveness is improved (Westerink et al., 2017), and governmental
769 transaction costs are decreased (Barghusen et al., 2022). However, empirical evidence suggests that
770 these collectives incur higher private transaction costs due to the higher coordination efforts between
771 individual parties (Westerink et al., 2017).

772 From a risk perspective, there is no guarantee that all farmers will contribute equally to the collective
773 and thus may free ride on the efforts of peer collective members. In the context of agroforestry, Swiss
774 farmers show little interest in coordinating actions, as this strongly depends upon beliefs about other

775 farmers' interests in coordinating actions (Villamayor-Tomas et al., 2019). With respect to rewetting
776 peat soils in Germany, part-time farmers and those without formal agricultural training perceive
777 support for cooperation as beneficial (Häfner and Piorr, 2021). Other studies have looked at collective
778 approaches by including attributes that represent the threshold number of farmers that must
779 participate in a scheme to be implemented successfully (Kuhfuss et al., 2016) or require at least five
780 farmers within a municipality to sign the same AECM contract (Villanueva et al., 2015). Shifting from
781 the agricultural context to forest disease control, evidence from Finland shows that the success of
782 utilising an agglomeration bonus as a means of spatial coordination largely relies on factors such as
783 the pre-existing disease impact, anticipated disease spread, and attitudes to engage in local
784 cooperation (Sheremet et al., 2018).

785 Future research might move in the direction of the Dutch model, in which farmers work in cooperatives
786 together and thus form a separate institution. The decision-making processes of these cooperatives
787 may look very different from traditional individual choices. Here, research could look at preferences of
788 working together and at how choices of the cooperative with respect to sustainable land management
789 practices may look. Moreover, since intermediaries play an important role in advising farmers and
790 coordinating projects, prospective DCEs should investigate farmers' preferences for the role of
791 intermediaries in agri-environmental measures. While there is a plethora of research on the issue of
792 providing advisory services, there is still a gap in what specific type of advisory intermediaries should
793 be given. Future research should focus on shaping the role of intermediaries to facilitate the
794 implementation of agri-environmental measures.

795 Apart from the results-based and collaborative approaches, there are numerous other topics in the
796 DCE literature dealing with farmers' contracts of agri-environmental measures that have not been
797 adequately explored. First, there are mixed results in terms of farmers' preferences across alternative
798 reward schemes and payment mechanisms. Future research could take a closer look at the exact
799 causes of the conflicting preferences. Furthermore, the heatmaps (Figure 5 and Figure 6) show various
800 blank spots regarding attribute combinations. Further research could address these issues and
801 investigate new contract constellations.

802 **6.4 Conclusion**

803 This review synthesised how DCEs have been used to inform the design of agri-environmental policies.
804 In the past, DCEs have contributed to the governance of ecosystem services in agricultural landscapes
805 by assessing farmers' ex ante preferences for agri-environmental measures. Therefore, quantifying
806 farmers' preferences for different land use prescriptions and contract design features has been
807 essential for ex ante policy analysis. For farmers, the provision of environmental goods and market

808 goods often implies trade-offs, and knowing their preferences for the different policy features may be
809 important to achieve a necessary level of commitment that facilitates policy implementation and
810 integration.

811 We conclude that DCEs provide valuable insights into the preference structure and decision-making
812 processes of individuals. While DCEs can be useful for policy design, they should be complemented by
813 other methods (El Benni et al., 2023). Therefore, policy makers are advised to draw from a
814 comprehensive toolkit, including other experimental approaches based on revealed preferences such
815 as field experiments and randomised controlled trials (RCTs), as well as qualitative research to
816 complement DCE results. This triangulation of methods helps balance the strengths and weaknesses
817 of each approach (Colen et al., 2016).

818 In particular, DCEs are often attributed with relatively low internal validity compared to lab
819 experiments, as they rely on stated rather than revealed preferences. Artefactual field experiments,
820 which operate in abstract settings and thus exhibit reduced design complexity, perform comparatively
821 well at establishing causal relationships and thus exhibit high internal validity. However, as the level of
822 contextualisation increases, the external validity also improves, albeit at the expense of internal
823 validity. This trade-off can be addressed through the triangulation of different methods.

824 In addition to experimental approaches, ex post analyses or retrospective approaches with large
825 external validity offer valuable insights into the efficiency of agri-environmental measures (Thompson
826 et al., 2023). Hence, to understand the primary drivers of agri-environmental program design and
827 uptake, policy analysis should not be limited to DCEs but should be complemented by other tools.

828 Future research can build on the presented literature review in multiple ways. First, researchers can
829 use extracted data from the supplementary material as priors for the experimental design of future
830 studies. Second, this systematic review offers a starting point to analyse thematic blind spots of
831 complementary experimental and non-experimental methods that would provide policy makers with
832 a solid evidence base of agri-environmental contract design. In that vein, policymakers are advised to
833 seek evidence from revealed preference methods before making policy decisions. Last, although many
834 studies stress the value of behavioural insights from economic experiments for agri-environmental
835 policy design (El Benni et al., 2023; Palm-Forster and Messer, 2021), there is little evidence how these
836 findings eventually translate into policy. Future research may intend to trace the process from
837 evidence to policy.

838 **References**

- 839 Allen, K. E., & Colson, G. (2019). Understanding PES from the ground up: a combined choice experiment
840 and interview approach to understanding PES in Costa Rica. *Sustainability Science*, 14, 391-404.
- 841 Aslam, U., Termansen, M., & Fleskens, L. (2017). Investigating farmers' preferences for alternative PES
842 schemes for carbon sequestration in UK agroecosystems. *Ecosystem Services*, 27, 103-112.
- 843 Ayambire, R. A., & Pittman, J. (2021). Adaptive comanagement of environmental risks in result-based
844 agreements for the provision of environmental services: A case study of the South of the Divide
845 Conservation Action Program. *Journal of environmental management*, 295, 113111.
- 846 Balana, B. B., Yatich, T., & Mäkelä, M. (2011). A conjoint analysis of landholder preferences for reward-
847 based land-management contracts in Kapingazi watershed, Eastern Mount Kenya. *Journal of*
848 *Environmental Management*, 92(10), 2634-2646.
- 849 Banerjee, P., Pal, R., Wossink, A., & Asher, J. (2021). Heterogeneity in farmers' social preferences and
850 the design of green payment schemes. *Environmental and Resource Economics*, 78, 201-226.
- 851 Barghusen, R., Sattler, C., Berner, R., & Matzdorf, B. (2022). More than spatial coordination—How Dutch
852 agricultural collectives foster social capital for effective governance of agri-environmental measures.
853 *Journal of Rural Studies*, 96, 246-258.
- 854 Bartkowski, B., Droste, N., Ließ, M., Sidemo-Holm, W., Weller, U., & Brady, M. V. (2021). Payments by
855 modelled results: A novel design for agri-environmental schemes. *Land Use Policy*, 102, 105230.
- 856 Bartolini, F., Gallerani, V., Raggi, M., & Viaggi, D. (2012). Modelling the linkages between cross-
857 compliance and agri-environmental schemes under asymmetric information. *Journal of Agricultural*
858 *Economics*, 63(2), 310-330.
- 859 Beharry-Borg, N., Smart, J. C., Termansen, M., & Hubacek, K. (2013). Evaluating farmers' likely
860 participation in a payment programme for water quality protection in the UK uplands. *Regional*
861 *Environmental Change*, 13, 633-647.
- 862 Bennett, M. T., Gong, Y., & Scarpa, R. (2018). Hungry birds and angry farmers: Using choice experiments
863 to assess "eco-compensation" for coastal wetlands protection in China. *Ecological Economics*, 154, 71-
864 87.
- 865 Birol, E., Smale, M., & Gyovai, Á. (2006). Using a choice experiment to estimate farmers' valuation of
866 agrobiodiversity on Hungarian small farms. *Environmental and Resource Economics*, 34, 439-469.

867 Blazy, J. M., Carpentier, A., & Thomas, A. (2011). The willingness to adopt agro-ecological innovations:
868 Application of choice modelling to Caribbean banana planters. *Ecological Economics*, 72, 140-150.

869 Bougherara, D., & Ducos, G. (2006, November). Farmers' preferences over conservation contract
870 flexibility and duration: an estimation of the effect of transaction costs using choice experiment. In 1.
871 Journée de l'ESNIE (pp. 26-p).

872 Broch, S. W., & Vedel, S. E. (2012). Using choice experiments to investigate the policy relevance of
873 heterogeneity in farmer agri-environmental contract preferences. *Environmental and Resource*
874 *Economics*, 51, 561-581.

875 Broch, S. W., Strange, N., Jacobsen, J. B., & Wilson, K. A. (2013). Farmers' willingness to provide
876 ecosystem services and effects of their spatial distribution. *Ecological Economics*, 92, 78-86.

877 Canessa, C., Venus, T. E., Wiesmeier, M., Mennig, P., & Sauer, J. (2023). Incentives, rewards or both in
878 payments for ecosystem services: Drawing a link between farmers' preferences and biodiversity levels.
879 *Ecological Economics*, 213, 107954.

880 Chang, S., Wuepper, D., Heissenhuber, A., & Sauer, J. (2017). Investigating rice farmers' preferences
881 for an agri-environmental scheme: Is an eco-label a substitute for payments?. *Land Use Policy*, 64, 374-
882 382.

883 Chen, X., Lupi, F., He, G., & Liu, J. (2009). Linking social norms to efficient conservation investment in
884 payments for ecosystem services. *Proceedings of the National Academy of Sciences*, 106(28), 11812-
885 11817.

886 Chèze, B., David, M., & Martinet, V. (2020). Understanding farmers' reluctance to reduce pesticide use:
887 A choice experiment. *Ecological Economics*, 167, 106349.

888 Christensen, T., Pedersen, A. B., Nielsen, H. O., Mørkbak, M. R., Hasler, B., & Denver, S. (2011).
889 Determinants of farmers' willingness to participate in subsidy schemes for pesticide-free buffer
890 zones—A choice experiment study. *Ecological Economics*, 70(8), 1558-1564.

891 Colen, L., Gomez y Paloma, S., Latacz-Lohmann, U., Lefebvre, M., Préget, R., & Thoyer, S. (2016).
892 Economic experiments as a tool for agricultural policy evaluation: insights from the European CAP.
893 *Canadian Journal of Agricultural Economics/Revue canadienne d'agroeconomie*, 64(4), 667-694.

894 Conrad, S. A., Rutherford, M. B., & Haider, W. (2017). Profiling farmers' preferences about drought
895 response policies using a choice experiment in the Okanagan Basin, Canada. *Water Resources*
896 *Management*, 31(9), 2837-2851.

897 Costedoat, S., Koetse, M., Corbera, E., & Ezzine-de-Blas, D. (2016). Cash only? Unveiling preferences
898 for a PES contract through a choice experiment in Chiapas, Mexico. *Land Use Policy*, 58, 302-317.

899 Cranford, M., & Mourato, S. (2014). Credit-based payments for ecosystem services: Evidence from a
900 choice experiment in Ecuador. *World Development*, 64, 503-520.

901 Czajkowski, M., Zagórska, K., Letki, N., Tryjanowski, P., & Wąs, A. (2021). Drivers of farmers' willingness
902 to adopt extensive farming practices in a globally important bird area. *Land Use Policy*, 107, 104223.

903 Danne, M., Mußhoff, O., & Schulte, M. (2019). Analysing the importance of glyphosate as part of
904 agricultural strategies: A discrete choice experiment. *Land Use Policy*, 86, 189-207.

905 Danne, M., & Musshoff, O. (2017). Analysis of farmers' willingness to participate in pasture grazing
906 programs: Results from a discrete choice experiment with German dairy farmers. *Journal of Dairy
907 Science*, 100(9), 7569-7580.

908 Dessart, F. J., Barreiro-Hurlé, J., & van Bavel, R. (2019). Behavioural factors affecting the adoption of
909 sustainable farming practices: a policy-oriented review. *European Review of Agricultural Economics*,
910 46(3), 417-471.

911 Ducos, G., Dupraz, P., & Bonnieux, F. (2009). Agri-environment contract adoption under fixed and
912 variable compliance costs. *Journal of Environmental Planning and Management*, 52(5), 669-687.

913 Engel, S. (2016). The devil in the detail: a practical guide on designing payments for environmental
914 services. *International Review of Environmental and Resource Economics*, 9(1-2), 131-177.

915 Espinosa-Goded, M., Barreiro-Hurlé, J., & Ruto, E. (2010). What do farmers want from agri-
916 environmental scheme design? A choice experiment approach. *Journal of Agricultural Economics*,
917 61(2), 259-273.

918 Ferraro, P. J. (2008). Asymmetric information and contract design for payments for environmental
919 services. *Ecological Economics*, 65(4), 810-821.

920 Ferro-Vázquez, C., Lang, C., Kaal, J., & Stump, D. (2017). When is a terrace not a terrace? The
921 importance of understanding landscape evolution in studies of terraced agriculture. *Journal of
922 Environmental Management*, 202, 500-513.

923 Franks, J. R., & McGloin, A. (2007). Joint submissions, output related payments and environmental co-
924 operatives: Can the Dutch experience innovate UK agri-environment policy?. *Journal of Environmental
925 Planning and Management*, 50(2), 233-256.

926 Franzén, F., Dinnézt, P., & Hammer, M. (2016). Factors affecting farmers' willingness to participate in
927 eutrophication mitigation—A case study of preferences for wetland creation in Sweden. *Ecological*
928 *Economics*, 130, 8-15.

929 Friedman, R. S., Law, E. A., Bennett, N. J., Ives, C. D., Thorn, J. P., & Wilson, K. A. (2018). How just and
930 just how? A systematic review of social equity in conservation research. *Environmental Research*
931 *Letters*, 13(5), 053001.

932 Geussens, K., Van den Broeck, G., Vanderhaegen, K., Verbist, B., & Maertens, M. (2019). Farmers'
933 perspectives on payments for ecosystem services in Uganda. *Land Use Policy*, 84, 316-327.

934 Gramig, B. M., & Widmar, N. J. (2018). Farmer preferences for agricultural soil carbon sequestration
935 schemes. *Applied Economic Perspectives and Policy*, 40(3), 502-521.

936 Greene, W. H., & Hensher, D. A. (2003). A latent class model for discrete choice analysis: contrasts with
937 mixed logit. *Transportation Research Part B: Methodological*, 37(8), 681-698.

938 Greiner, R. (2016). Factors influencing farmers' participation in contractual biodiversity conservation:
939 a choice experiment with northern Australian pastoralists. *Australian Journal of Agricultural and*
940 *Resource Economics*, 60(1), 1-21.

941 Grove, A. T., & Sutton, J. E. (1989). Agricultural terracing south of the Sahara. *Azania: Journal of the*
942 *British Institute in Eastern Africa*, 24(1), 113-122.

943 Haddaway, N. R., Macura, B., Whaley, P., & Pullin, A. S. (2018). ROSES RepORting standards for
944 Systematic Evidence Syntheses: pro forma, flow-diagram and descriptive summary of the plan and
945 conduct of environmental systematic reviews and systematic maps. *Environmental Evidence*, 7, 1-8.

946 Häfner, K., & Piorr, A. (2021). Farmers' perception of co-ordinating institutions in agri-environmental
947 measures—The example of peatland management for the provision of public goods on a landscape
948 scale. *Land Use Policy*, 107, 104947.

949 Haile, K. K., Tirivayi, N., & Tesfaye, W. (2019). Farmers' willingness to accept payments for ecosystem
950 services on agricultural land: The case of climate-smart agroforestry in Ethiopia. *Ecosystem Services*,
951 39, 100964.

952 Hanley, N., & Czajkowski, M. (2019). The role of stated preference valuation methods in understanding
953 choices and informing policy. *Review of Environmental Economics and Policy*.

954 Hanley, N., & Perrings, C. (2019). The economic value of biodiversity. *Annual Review of Resource*
955 *Economics*, 11, 355-375.

956 Hartmann, M., Frey, B., Mayer, J., Mäder, P., & Widmer, F. (2015). Distinct soil microbial diversity under
957 long-term organic and conventional farming. *The ISME journal*, 9(5), 1177-1194.

958 Hasler, B., Czajkowski, M., Elofsson, K., Hansen, L. B., Konrad, M. T., Nielsen, H. Ø., ... & Zagórska, K.
959 (2019). Farmers' preferences for nutrient and climate-related agri-environmental schemes: A cross-
960 country comparison. *Ambio*, 48, 1290-1303.

961 Herring, M. W., Garnett, S. T., & Zander, K. K. (2022). Producing rice while conserving the habitat of an
962 endangered waterbird: Incentives for farmers to integrate water management. *Land Use Policy*, 120,
963 106269.

964 Hope, R., Borgoyary, M., & Agarwal, C. (2008). Smallholder Preferences for Agri-environmental Change
965 at the Bhoj Wetland, India. *Development Policy Review*, 26(5), 585-602.

966 Houessionon, P., Fonta, W. M., Bossa, A. Y., Sanfo, S., Thiombiano, N., Zahonogo, P., ... & Balana, B.
967 (2017). Economic valuation of ecosystem services from small-scale agricultural management
968 interventions in Burkina Faso: a discrete choice experiment approach. *Sustainability*, 9(9), 1672.

969 Ingram, J. C., Wilkie, D., Clements, T., McNab, R. B., Nelson, F., Baur, E. H., ... & Foley, C. A. H. (2014).
970 Evidence of payments for ecosystem services as a mechanism for supporting biodiversity conservation
971 and rural livelihoods. *Ecosystem Services*, 7, 10-21.

972 Jacobson, M., Shr, Y. H., Dalemans, F., Magaju, C., & Ciannella, R. (2018). Using a choice experiment
973 approach to assess production tradeoffs for developing the croton value chain in Kenya. *Forest Policy
974 and Economics*, 86, 76-85.

975 Jones, K. W., Powlen, K., Roberts, R., & Shinbrot, X. (2020). Participation in payments for ecosystem
976 services programs in the Global South: A systematic review. *Ecosystem Services*, 45, 101159.

977 Jørgensen, S. L., Termansen, M., & Pascual, U. (2020). Natural insurance as condition for market
978 insurance: Climate change adaptation in agriculture. *Ecological Economics*, 169, 106489.

979 Jose, S., & Dollinger, J. (2019). Silvopasture: a sustainable livestock production system. *Agroforestry
980 Systems*, 93, 1-9.

981 Kaczan, D., & Swallow, B. M. (2013). Designing a payments for ecosystem services (PES) program to
982 reduce deforestation in Tanzania: An assessment of payment approaches. *Ecological Economics*, 95,
983 20-30.

- 984 Kadigi, R. M., & Mlasi, T. M. (2013). Payment for Ecosystem Services of the Uluguru Watershed in
985 Tanzania: Are the Buyers Willing to Pay and Sellers Willing to Accept Compensation for Their
986 Custodianship. *J. Environ. Conserv. Res*, 1, 67.
- 987 Kanchanaroek, Y., & Aslam, U. (2018). Policy schemes for the transition to sustainable agriculture—
988 Farmer preferences and spatial heterogeneity in northern Thailand. *Land Use Policy*, 78, 227-235.
- 989 Kang, M. J., Siry, J. P., Colson, G., & Ferreira, S. (2019). Do forest property characteristics reveal
990 landowners' willingness to accept payments for ecosystem services contracts in southeast Georgia,
991 US?. *Ecological Economics*, 161, 144-152.
- 992 Kassahun, H. T., & Jacobsen, J. B. (2015). Economic and institutional incentives for managing the
993 Ethiopian highlands of the Upper Blue Nile Basin: A latent class analysis. *Land Use Policy*, 44, 76-89.
- 994 Kassahun, H. T., Thorsen, B. J., Swait, J., & Jacobsen, J. B. (2020). Social cooperation in the context of
995 integrated private and common land management. *Environmental and Resource Economics*, 75, 105-
996 136.
- 997 Khanal, U., Wilson, C., Lee, B., & Hoang, V. N. (2018). Smallholder farmers' participation in climate
998 change adaptation programmes: understanding preferences in Nepal. *Climate Policy*, 18(7), 916-927.
- 999 Kisaka, L., & Obi, A. (2015). Farmers' preferences for management options as payment for
1000 environmental services scheme. *International Food and Agribusiness Management Review*, 18(1030-
1001 2016-83048), 171-192.
- 1002 Kreye, M. M., Pienaar, E. F., Soto, J. R., & Adams, D. C. (2017). Creating voluntary payment programs:
1003 effective program design and ranchers' willingness to conserve Florida panther habitat. *Land
1004 Economics*, 93(3), 459-480.
- 1005 Kuhfuss, L., Préget, R., Thoyer, S., & Hanley, N. (2016). Nudging farmers to enrol land into agri-
1006 environmental schemes: the role of a collective bonus. *European Review of Agricultural Economics*,
1007 43(4), 609-636.
- 1008 Kuhfuss, L., Préget, R., Thoyer, S., Hanley, N., Le Coent, P., & Désolé, M. (2016). Nudges, social norms,
1009 and permanence in agri-environmental schemes. *Land economics*, 92(4), 641-655.
- 1010 Lancaster, K. J. (1966). A new approach to consumer theory. *Journal of political economy*, 74(2), 132-
1011 157.
- 1012 Latacz-Lohmann, U., & Breustedt, G. (2019). Using choice experiments to improve the design of agri-
1013 environmental schemes. *European Review of Agricultural Economics*, 46(3), 495-528.

1014 Le Coent, P., Préget, R., & Thoyer, S. (2017). Compensating environmental losses versus creating
1015 environmental gains: implications for biodiversity offsets. *Ecological Economics*, 142, 120-129.

1016 Lefebvre, M., Barreiro-Hurlé, J., Blanchflower, C., Colen, L., Kuhfuss, L., Rommel, J., ... & Thoyer, S.
1017 (2021). Can economic experiments contribute to a more effective CAP?. *EuroChoices*, 20(3), 42-49.

1018 Li, H., Bennett, M. T., Jiang, X., Zhang, K., & Yang, X. (2017). Rural household preferences for active
1019 participation in “payment for ecosystem service” programs: A case in the miyun reservoir catchment,
1020 China. *PloS one*, 12(1), e0169483.

1021 Lienhoop, N., & Brouwer, R. (2015). Agri-environmental policy valuation: Farmers’ contract design
1022 preferences for afforestation schemes. *Land Use Policy*, 42, 568-577.

1023 Lienhoop, N., & Schröter-Schlaack, C. (2018). Involving multiple actors in ecosystem service
1024 governance: Exploring the role of stated preference valuation. *Ecosystem Services*, 34, 181-188.

1025 Lizin, S., Van Passel, S., & Schreurs, E. (2015). Farmers’ perceived cost of land use restrictions: A
1026 simulated purchasing decision using discrete choice experiments. *Land Use Policy*, 46, 115-124.

1027 Lliso, B., Pascual, U., Engel, S., & Mariel, P. (2020). Payments for ecosystem services or collective
1028 stewardship of Mother Earth? Applying deliberative valuation in an indigenous community in
1029 Colombia. *Ecological Economics*, 169, 106499.

1030 Loft, L., Gehrig, S., Salk, C., & Rommel, J. (2020). Fair payments for effective environmental
1031 conservation. *Proceedings of the National Academy of Sciences*, 117(25), 14094-14101.

1032 Luoto, M., Rekolainen, S., Aakkula, J., & Pykälä, J. (2003). Loss of plant species richness and habitat
1033 connectivity in grasslands associated with agricultural change in Finland. *AMBIO: A Journal of the*
1034 *Human Environment*, 32(7), 447-452.

1035 Mamine, F., & Minviel, J. J. (2020). Contract design for adoption of agrienvironmental practices: a
1036 meta-analysis of discrete choice experiments. *Ecological Economics*, 176, 106721.

1037 Mariel, P., & Meyerhoff, J. (2018). A more flexible model or simply more effort? On the use of
1038 correlated random parameters in applied choice studies. *Ecological Economics*, 154, 419-429.

1039 Matzdorf, B., & Lorenz, J. (2010). How cost-effective are result-oriented agri-environmental
1040 measures?—An empirical analysis in Germany. *Land Use Policy*, 27(2), 535-544.

1041 McFadden, D. (1974). The measurement of urban travel demand. *Journal of public economics*, 3(4),
1042 303-328.

- 1043 Mettepenningen, E., Vandermeulen, V., Delaet, K., Van Huylenbroeck, G., & Wailes, E. J. (2013).
1044 Investigating the influence of the institutional organisation of agri-environmental schemes on scheme
1045 adoption. *Land Use Policy*, 33, 20-30.
- 1046 Mosquera-Losada, M. R., Santiago-Freijanes, J. J., Rois-Díaz, M., Moreno, G., den Herder, M., Aldrey-
1047 Vázquez, J. A., ... & Rigueiro-Rodríguez, A. (2018). Agroforestry in Europe: A land management policy
1048 tool to combat climate change. *Land Use Policy*, 78, 603-613.
- 1049 Narjes, M. E., & Lippert, C. (2016). Longan fruit farmers' demand for policies aimed at conserving native
1050 pollinating bees in Northern Thailand. *Ecosystem Services*, 18, 58-67.
- 1051 Niskanen, O., Tienhaara, A., Haltia, E., & Pouta, E. (2021). Farmers' heterogeneous preferences towards
1052 results-based environmental policies. *Land Use Policy*, 102, 105227.
- 1053 Nthambi, M., Markova-Nenova, N., & Wätzold, F. (2021). Quantifying loss of benefits from poor
1054 governance of climate change adaptation projects: a discrete choice experiment with farmers in Kenya.
1055 *Ecological Economics*, 179, 106831.
- 1056 OECD (2022), *Making Agri-Environmental Payments More Cost Effective*, OECD Publishing, Paris,
1057 <https://doi.org/10.1787/4cf10d76-en>.
- 1058 Olivieri, M., Andreoli, M., Vergamini, D., & Bartolini, F. (2021). Innovative Contract Solutions for the
1059 Provision of Agri-Environmental Climatic Public Goods: A Literature Review. *Sustainability*, 13(12),
1060 6936.
- 1061 Ortega, D. L., Waldman, K. B., Richardson, R. B., Clay, D. C., & Snapp, S. (2016). Sustainable
1062 intensification and farmer preferences for crop system attributes: evidence from Malawi's central and
1063 southern regions. *World Development*, 87, 139-151.
- 1064 Palm-Forster, L. H., Ferraro, P. J., Janusch, N., Vossler, C. A., & Messer, K. D. (2019). Behavioural and
1065 experimental agri-environmental research: methodological challenges, literature gaps, and
1066 recommendations. *Environmental and Resource Economics*, 73, 719-742.
- 1067 Palm-Forster, L. H., & Messer, K. D. (2021). Experimental and behavioral economics to inform agri-
1068 environmental programs and policies. In *Handbook of Agricultural Economics* (Vol. 5, pp. 4331-4406).
1069 Elsevier.
- 1070 Pe'er, G., Bonn, A., Bruelheide, H., Dieker, P., Eisenhauer, N., Feindt, P. H., ... & Lakner, S. (2020). Action
1071 needed for the EU Common Agricultural Policy to address sustainability challenges. *People and Nature*,
1072 2(2), 305-316.

1073 Permadi, D. B., Burton, M., Pandit, R., Race, D., & Walker, I. (2018). Local community's preferences for
1074 accepting a forestry partnership contract to grow pulpwood in Indonesia: A choice experiment study.
1075 *Forest Policy and Economics*, 91, 73-83.

1076 Petrolia, D. R., Guignet, D., Whitehead, J., Kent, C., Caulder, C., & Amon, K. (2021). Nonmarket valuation
1077 in the Environmental Protection Agency's regulatory process. *Applied Economic Perspectives and*
1078 *Policy*, 43(3), 952-969.

1079 Petsakos, A., Ciaian, P., Espinosa, M., Perni, A., & Kremmydas, D. (2022). Farm-level impacts of the CAP
1080 post-2020 reform: A scenario-based analysis. *Applied Economic Perspectives and Policy*.

1081 Pröbstl-Haider, U., Mostegl, N. M., Kelemen-Finan, J., Haider, W., Formayer, H., Kantelhardt, J., ... &
1082 Trenholm, R. (2016). Farmers' preferences for future agricultural land use under the consideration of
1083 climate change. *Environmental Management*, 58, 446-464.

1084 Raes, L., Speelman, S., & Aguirre, N. (2017). Farmers' preferences for PES contracts to adopt
1085 silvopastoral systems in southern Ecuador, revealed through a choice experiment. *Environmental*
1086 *Management*, 60, 200-215.

1087 Rommel, J., Schulze, C., Matzdorf, B., Sagebiel, J., & Wechner, V. (2022). Learning about German
1088 farmers' willingness to cooperate from public goods games and expert predictions. *Q Open*.

1089 Rose, J. M., & Bliemer, M. C. (2013). Sample size requirements for stated choice experiments.
1090 *Transportation*, 40, 1021-1041.

1091 Runge, T., Latacz-Lohmann, U., Schaller, L., Todorova, K., Daugbjerg, C., Termansen, M., ... & Velazquez,
1092 F. J. B. (2022). Implementation of Eco-schemes in Fifteen European Union Member States.
1093 *EuroChoices*, 21(2), 19-27.

1094 Ruto, E., & Garrod, G. (2009). Investigating farmers' preferences for the design of agri-environment
1095 schemes: a choice experiment approach. *Journal of Environmental Planning and Management*, 52(5),
1096 631-647.

1097 Sangkapitux, C., Neef, A., Polkongkaew, W., Pramoon, N., Nonkiti, S., & Nanthasen, K. (2009).
1098 Willingness of upstream and downstream resource managers to engage in compensation schemes for
1099 environmental services. *International Journal of the Commons*, 3(1).

1100 Santos, R., Clemente, P., Brouwer, R., Antunes, P., & Pinto, R. (2015). Landowner preferences for agri-
1101 environmental agreements to conserve the montado ecosystem in Portugal. *Ecological Economics*,
1102 118, 159-167.

- 1103 Sattler, C., Barghusen, R., Bredemeier, B., Dutilly, C., & Prager, K. (2023). Institutional analysis of actors
1104 involved in the governance of innovative contracts for agri-environmental and climate schemes. *Global*
1105 *Environmental Change*, 80, 102668.
- 1106 Schaafsma, M., Ferrini, S., & Turner, R. K. (2019). Assessing smallholder preferences for incentivised
1107 climate-smart agriculture using a discrete choice experiment. *Land Use Policy*, 88, 104153.
- 1108 Schaub, S., Ghazoul, J., Huber, R., Zhang, W., Sander, A., Rees, C., ... & Finger, R. (2023). The role of
1109 behavioural factors and opportunity costs in farmers' participation in voluntary agri-environmental
1110 schemes: A systematic review. *Journal of Agricultural Economics*.
- 1111 Schoeneberger, M., Bentrup, G., De Gooijer, H., Soolanayakanahally, R., Sauer, T., Brandle, J., ... &
1112 Current, D. (2012). Branching out: Agroforestry as a climate change mitigation and adaptation tool for
1113 agriculture. *Journal of Soil and Water Conservation*, 67(5), 128A-136A.
- 1114 Schomers, S., Sattler, C., & Matzdorf, B. (2015). An analytical framework for assessing the potential of
1115 intermediaries to improve the performance of payments for ecosystem services. *Land Use Policy*, 42,
1116 58-70.
- 1117 Schulz, N., Breustedt, G., & Latacz-Lohmann, U. (2014). Assessing farmers' willingness to accept
1118 "greening": insights from a discrete choice experiment in Germany. *Journal of Agricultural Economics*,
1119 65(1), 26-48.
- 1120 Sheremet, O., Ruokamo, E., Juutinen, A., Svento, R., & Hanley, N. (2018). Incentivising participation
1121 and spatial coordination in payment for ecosystem service schemes: forest disease control programs
1122 in Finland. *Ecological Economics*, 152, 260-272.
- 1123 Shittu, A. M., Kehinde, M. O., Ogunnaike, M. G., & Oyawole, F. P. (2018). Effects of land tenure and
1124 property rights on farm households' willingness to accept incentives to invest in measures to combat
1125 land degradation in Nigeria. *Agricultural and Resource Economics Review*, 47(2), 357-387.
- 1126 Sidemo-Holm, W., Smith, H. G., & Brady, M. V. (2018). Improving agricultural pollution abatement
1127 through result-based payment schemes. *Land Use Policy*, 77, 209-219.
- 1128 Siebert, R., Toogood, M., & Knierim, A. (2006). Factors affecting European farmers' participation in
1129 biodiversity policies. *Sociologia Ruralis*, 46(4), 318-340.
- 1130 Silberg, T. R., Richardson, R. B., & Lopez, M. C. (2020). Maize farmer preferences for intercropping
1131 systems to reduce Striga in Malawi. *Food Security*, 12, 269-283.

- 1132 Socci, P., Errico, A., Castelli, G., Penna, D., & Preti, F. (2019). Terracing: From agriculture to multiple
1133 ecosystem services. In Oxford research encyclopedia of environmental science.
- 1134 Sorice, M. G., Haider, W., Conner, J. R., & Ditton, R. B. (2011). Incentive structure of and private
1135 landowner participation in an endangered species conservation program. *Conservation Biology*, 25(3),
1136 587-596.
- 1137 Šumrada, T., Japelj, A., Verbič, M., & Erjavec, E. (2022). Farmers' preferences for result-based schemes
1138 for grassland conservation in Slovenia. *Journal for Nature Conservation*, 66, 126143.
- 1139 Tanaka, K., Hanley, N., & Kuhfuss, L. (2022). Farmers' preferences towards an outcome-based payment
1140 for ecosystem service scheme in Japan. *Journal of Agricultural Economics*, 73(3), 720-738.
- 1141 Tarfasa, S., Balana, B. B., Tefera, T., Woldeamanuel, T., Moges, A., Dinato, M., & Black, H. (2018).
1142 Modelling smallholder farmers' preferences for soil management measures: a case study from South
1143 Ethiopia. *Ecological Economics*, 145, 410-419.
- 1144 Tesfaye, A., & Brouwer, R. (2012). Testing participation constraints in contract design for sustainable
1145 soil conservation in Ethiopia. *Ecological Economics*, 73, 168-178.
- 1146 Thiermann, I., Silvius, B., Splinter, M., & Dries, L. (2023). Making bird numbers count: Would Dutch
1147 farmers accept a result-based meadow bird conservation scheme?. *Ecological Economics*, 214, 107999.
- 1148 Thompson, B., Leduc, G., Manevska-Tasevska, G., Toma, L., & Hansson, H. (2023). Farmers' adoption
1149 of ecological practices: A systematic literature map. *Journal of Agricultural Economics*.
- 1150 Thoyer, S., & Préget, R. (2019). Enriching the CAP evaluation toolbox with experimental approaches:
1151 introduction to the special issue. *European Review of Agricultural Economics*, 46(3), 347-366.
- 1152 Torres, A. B., MacMillan, D. C., Skutsch, M., & Lovett, J. C. (2013). Payments for ecosystem services and
1153 rural development: Landowners' preferences and potential participation in western Mexico.
1154 *Ecosystem Services*, 6, 72-81.
- 1155 Trenholm, R., Haider, W., Lantz, V., Knowler, D., & Haegeli, P. (2017). Landowner preferences for
1156 wetlands conservation programs in two Southern Ontario watersheds. *Journal of Environmental*
1157 *Management*, 200, 6-21.
- 1158 Tyllianakis, E., & Martin-Ortega, J. (2021). Agri-environmental schemes for biodiversity and
1159 environmental protection: How we are not yet "hitting the right keys". *Land Use Policy*, 109, 105620.

- 1160 Vaissière, A. C., Tardieu, L., Quétier, F., & Roussel, S. (2018). Preferences for biodiversity offset
1161 contracts on arable land: a choice experiment study with farmers. *European Review of Agricultural*
1162 *Economics*, 45(4), 553-582.
- 1163 Van den Broeck, G., Vlaeminck, P., Raymaekers, K., Velde, K. V., Vranken, L., & Maertens, M. (2017).
1164 Rice farmers' preferences for fairtrade contracting in Benin: Evidence from a discrete choice
1165 experiment. *Journal of Cleaner Production*, 165, 846-854.
- 1166 Van Hecken, G., Bastiaensen, J., & Windey, C. (2015). Towards a power-sensitive and socially informed
1167 analysis of payments for ecosystem services (PES): addressing the gaps in the current debate.
1168 *Ecological Economics*, 120, 117-125.
- 1169 Van Putten., Jennings, S. M., Louviere, J. J., & Burgess, L. B. (2011). Tasmanian landowner preferences
1170 for conservation incentive programs: A latent class approach. *Journal of Environmental Management*,
1171 92(10), 2647-2656.
- 1172 Vidogbéna, F., Adégbidi, A., Tossou, R., Assogba-Komlan, F., Ngouajio, M., Martin, T., ... & Zander, K. K.
1173 (2015). Control of vegetable pests in Benin—Farmers' preferences for eco-friendly nets as an alternative
1174 to insecticides. *Journal of Environmental Management*, 147, 95-107.
- 1175 Villamayor-Tomas, S., Sagebiel, J., & Olschewski, R. (2019). Bringing the neighbours in: A choice
1176 experiment on the influence of coordination and social norms on farmers' willingness to accept agro-
1177 environmental schemes across Europe. *Land Use Policy*, 84, 200-215.
- 1178 Villanueva, A. J., Gómez-Limón, J. A., Arriaza, M., & Rodríguez-Entrena, M. (2015). The design of agri-
1179 environmental schemes: Farmers' preferences in southern Spain. *Land Use Policy*, 46, 142-154.
- 1180 Vorlaufer, T., Falk, T., Dufhues, T., & Kirk, M. (2017). Payments for ecosystem services and agricultural
1181 intensification: Evidence from a choice experiment on deforestation in Zambia. *Ecological Economics*,
1182 141, 95-105.
- 1183 Wachenheim, C. J., Roberts, D. C., Addo, N. S., & Devney, J. (2018b). Farmer preferences for a working
1184 wetlands program. *Wetlands*, 38, 1005-1015.
- 1185 Wachenheim, C., Roberts, D. C., Dhingra, N., Lesch, W., & Devney, J. (2018a). Conservation reserve
1186 program enrolment decisions in the prairie pothole region. *Journal of Soil and Water Conservation*,
1187 73(3), 337-352.
- 1188 Waldman, K. B., Ortega, D. L., Richardson, R. B., & Snapp, S. S. (2017). Estimating demand for perennial
1189 pigeon pea in Malawi using choice experiments. *Ecological Economics*, 131, 222-230.

- 1190 Ward, P. S., Bell, A. R., Parkhurst, G. M., Droppelmann, K., & Mapemba, L. (2016). Heterogeneous
1191 preferences and the effects of incentives in promoting conservation agriculture in Malawi. *Agriculture,*
1192 *Ecosystems & Environment*, 222, 67-79.
- 1193 Westerink, J., Jongeneel, R., Polman, N., Prager, K., Franks, J., Dupraz, P., & Mettepenningen, E. (2017).
1194 Collaborative governance arrangements to deliver spatially coordinated agri-environmental
1195 management. *Land Use Policy*, 69, 176-192.
- 1196 White, B., & Hanley, N. (2016). Should we pay for ecosystem service outputs, inputs or both?.
1197 *Environmental and Resource Economics*, 63, 765-787.
- 1198 Williamson, S., Ball, A., & Pretty, J. (2008). Trends in pesticide use and drivers for safer pest
1199 management in four African countries. *Crop Protection*, 27(10), 1327-1334.
- 1200 Wilson, G. A., & Hart, K. (2001). Farmer participation in agri-environmental schemes: towards
1201 conservation-oriented thinking?. *Sociologia Ruralis*, 41(2), 254-274.
- 1202 Wuepper, D., & Huber, R. (2022). Comparing effectiveness and return on investment of action-and
1203 results-based agri-environmental payments in Switzerland. *American Journal of Agricultural*
1204 *Economics*, 104(5), 1585-1604.
- 1205 Yeboah, F. K., Lupi, F., & Kaplowitz, M. D. (2015). Agricultural landowners' willingness to participate in
1206 a filter strip program for watershed protection. *Land Use Policy*, 49, 75-85.
- 1207 Zandersen, M., Jørgensen, S. L., Nainggolan, D., Gyldenkærne, S., Winding, A., Greve, M. H., &
1208 Termansen, M. (2016). Potential and economic efficiency of using reduced tillage to mitigate climate
1209 effects in Danish agriculture. *Ecological Economics*, 123, 14-22.