Protected areas (PAs) are the cornerstone of conservation policy. Abundant evidence has shown that the effectiveness of PAs varies depending on the context, however, few is still known about the role of institutions. This paper exploits high-resolution satellite imagery on deforestation and illicit activities in Colombia to address this question. We estimate the long-term effect of PAs in different institutional contexts using spatial regression discontinuity methods. PAs have overall contributed to avoiding deforestation, with larger effects for collective lands than national (strict-use) PAs, and no impact for regional (multiple-use) PAs. Moreover, national PAs only work near human settlements, in municipalities that provide more public goods and are less violent. In remote areas, national PAs are particularly vulnerable to the expansion of coca crops and gold mining. In contrast, collective lands reduce coca crops and avoid deforestation in remote, less developed regions. These results highlight the extent to which natural PAs rely on the institutional capacity of local governments, while collective lands are able to protect forests, even when state-presence is weak. The effectiveness of collective lands cannot be exclusively attributed to their multiple-use nature or the collective and inalienable land rights. The basis of their success may instead lie in collective action.