



Non-traditional funding for biodiversity conservation in the Indo-Burma region

Preliminary findings
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Introduction

- Demand for biodiversity funding outstrips avail. resources
 - CEPF can only support 21% of applications received from the Indo-Burma region
- Budgets of national govts and multilateral and bilateral agencies do not prioritise biodiversity conservation
- Civil society is encouraged to find alternative sources of funding under Priority 1.4: "Develop long-term financing mechanisms for conservation of priority species"



Objectives of scoping study

- Identify non-traditional funding sources for biodiversity conservation in the region;
- Identify sources worth pursuing further;
- Identify the barriers preventing access to these funding sources.



Overview

4 types of traditional funding sources

- Bilateral government donors

 (e.g. SIDA, NORAD, Danida, CIDA, BMUB and the UK)
- Philanthropic organisations with an environmental focus (e.g. MacArthur Foundation)
- Multilateral environmental agencies

 (e.g. Global Environment Facility, the Green Climate Fund)
- Traditional approaches to sourcing funds from the general public
 - (e.g. mail, membership fees for environmental groups)



Overview

7 types of non-traditional funding sources:

- Private sector
- High-net-worth individuals
- Tax incentives
 (Philanthropic donations can be deducted from taxes under some legal systems)
- Payments for ecosystem services (PES)
 ("incentives offered to farmers or landowners in exchange for managing their land to provide some sort of ecological service.")
- Non-conservation focused development agencies
 (Organisations with a development focus sometimes fund conservation projects because bio conservation is a crosscutting topic)
- Crowdfunding (Websites that allow users to receive donations from the general public for specific projects)
- Lotteries
 (State lotteries may donate funds to charitable causes)



Private sector

Incentives to fund conservation

- Reputation for being a responsible business may attract customers
 - however, it may also lead to accusations of greenwashing.
- Profitability for companies that rely on biodiversity (e.g. tourism & hospitality, aquaculture)
- Offsetting or compensating for environmental degradation caused (e.g. extractives sector)
- The company has a group-level sustainability strategy or a philosophy of corporate responsibility (e.g. Minor Ltd., Toyota Motor Corp.)



Private sector

Examples of corporate conservation projects:

- J. Walter Thompson:
 - Supported anti-wildlife-trade campaigns, including the ARREST program, by providing pro bono support
- Coca-Cola Company's Raknam (Love Water) campaign:
 - Partnered with WWF and others to ensure access to drinking water for communities in the vicinity of its factories to offset operational water consumption
- Marriott Hotels
 - Partnered with IUCN to protect the environment and support Thailand's local communities through mangrove restoration, the use of sustainable seafood sources and local procurement practices





High-net-worth individuals

- Nerissa Chao, ASAP: High-net-worth individuals in Singapore might fund biodiversity conservation in Indo-Burma
 - readily available funds
 - growing interest in nature conservation
- Chompan Kulnides, Minor Intl. Group: High net-worth individuals in general may be reluctant to fund biodiversity conservation
 - preference for purely humanitarian initiatives
 - Confirmed by Save our Species through Lessons Learned



High-net-worth individuals

- 15 business leaders based in Thailand joined the WildAid/WWF Ivory Free Thailand Campaign
- These individuals included:
 - William Edward Heinecke, Chairman and CEO of Minor Intl. Public Company Ltd;
 - Banthoon Lamsam, Chairman and CEO of Kasikornbank;
 - Harald Link, Chairman of B. Grimm



Tax incentives

- Charitable donations made by individuals and companies are tax-deductible
- Deductions for charity cannot exceed 10% of total deductions
- May deter substantial contributions



Payments for ecosystem services (PES)

- Indo-Burma: Several countries in Indo-Burma (except for Myanmar and Cambodia) have established or are piloting PES schemes
- In Thailand, several projects involving PES schemes are being piloted
- Currently no legal framework to support PES mechanism



Non-conservation development agencies

- Indo-Burma: While these agencies may not necessarily provide grants for biodiversity conservation-focused initiatives, biodiversity does cross-cut and integrate with other themes these agencies may be prioritising
- Agencies that prioritise development may fund conservation as part of sustainable development
- Examples in Thailand:
 - Oxfam, American Jewish World Service, Asian Development Bank, UNDP, EU, FAO



Non-conservation development agencies

Region/Countries	Organisation	Est. annual support (USD)	Description
Global/Regional	American Jewish World Service	100,000 – 1,000,000	Supports advocacy for land rights among indigenous groups in Cambodia and rural communities in Thailand and Myanmar
	<u>Oxfam</u>	1,000,000 — 10,000,000	Supports initiatives in all Indo-Burma countries on natural resource rights, often linked to climate change
	<u>ADB</u>	10,000,000 — 100,000,000	Provides loans for development of sectors with close links to biodiversity conservation including agriculture, forestry, water resources, and transport. Projects have been implemented in China, Lao PDR, Myanmar, Thailand and Viet Nam
	UNDP	10,000,000 – 100,000,000	Supports a wide range of program areas, including environment and climate change
	<u>EU</u>	10,000,000 — 100,000,000	Supports a wide range of program areas, including the forestry sector and climate change. Projects have been implemnted in China, Lao PDR, Myanmar, Thailand and Viet Nam
	UNFAO	1,000,000 – 10,000,000	Supports government initiatives to promote sustainable natural resource management and sustainable agricultural production. Projects have been implemented in Lao PDR and Viet Nam



Crowdfunding

- Indo-Burma: Crowdfunding through online platforms such as <u>Kickstarter</u>, <u>Indiegogo</u> and <u>GoFundMe</u> is gaining popularity worldwide
- Thailand's platform is Asiola
 - Hosts several projects related to the environment and biodiversity:
 - PTT Global Chemical Public Company Ltd. supporting crowdsourcing for the Sung Cheuk floating marine habitat
 - Kingdom of Coconuts: seeks to help farmers adopt farming practices, certifying them to sell at premium prices
 - Right to Breathe (by YPO Australia): a workshop series to build capacity of children in Nan Province to plant Andaman redwood, crops and fruit trees



Lotteries

- Indo-Burma: No examples of lotteries donating to wildlife conservation (yet)
- Thai official national lottery donates THB 4 billion a year to the Thai Red Cross and other community projects
- Might be persuaded to expand to environmental conservation



Recommendations

Thailand has...

- Conservation funding from several development agencies
- Several corporations contributing to biodiversity conservation
- Several PES pilot programmes recently implement with diverse objectives, but not much success yet (too early to judge)
- Vocal support from high-net-worth individuals for conservation
- Some tax breaks for philanthropy



Recommendations

Thai CSOs should...

- Partner with and seek grants from non-conservationfocussed agencies for sustainable development projects
- Seek out corporations that have a high ecological footprint, rely on biodiversity for profit, and/or have already committed to conservation
- Reach out to high-net-worth individuals and seek their financial support
- Utilise crowdfunding platforms to access public funds
 - Utilise social media to generate support from highnet-worth individuals and public figures for crowdfunding projects





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Payments for ecosystem services (PES)

- Indo-Burma: Several countries in Indo-Burma (except for Myanmar and Cambodia) have established or are piloting PES schemes through public utility companies, who provide payments to offset or compensate for their use of natural resources.
- Dong Yai Community Forest
 - Paid to: Community of Ban Wang Or
 - Paid by: Downstream water users
 - Services: Water quality, ecosystem restoration
- Khao Ang Rue Nai (KARN) wildlife sanctuary
 - Paid to: Six surrounding villages
 - Paid by: East Water Company and downstream water users
 - Services: Mitigating human-elephant conflict (HEC), ecosystem restoration



PES in KARN

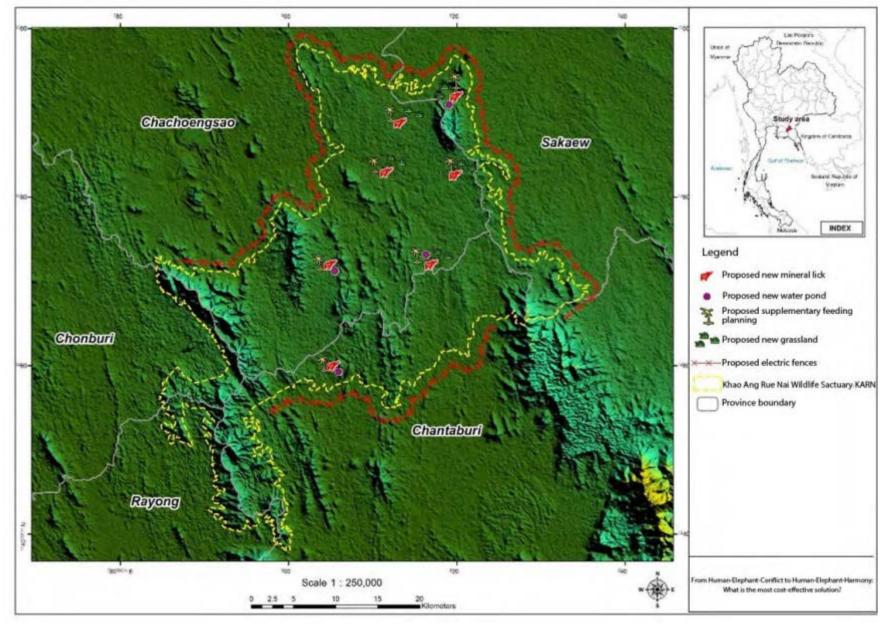
HEC mitigation

- Limited food and water push elephants into human settlements
- KARN Sanctuary is part of the Bang Pakong and Prasae River watersheds
 - Supplies downstream communities, industry, agriculture
- Government supplied villages with mitigation measures, still insufficient:
 - Artificial ponds and mineral licks
 - Ditches
 - Road closures from 9 PM to 5 AM

Pilot:

- Families to receive THB 48 thousand/year for improving elephant habitat which will result in improved water quality, from East Water Company and downstream water users
- Improving habitat would improve water quality and quantity
- Paid by downstream water users (e.g. East Water)
- Still in negotiation phase







Locations of proposed activities under PES project in KARN wildlife sanctuary

Private sector

Company/foundation	Est. annual support (USD)	Description
J Walter Thompson	10,000 — 100,000	Supporting anti-wildlife-trade campaigns, including the ARREST program, by providing pro bono support
Coca Cola	Unknown	Partnered with WWF and others to ensure access to drinking water for communities in the vicinity of its factories to offset operational water consumption
Marriott Hotels and Resorts	100,000 — 1,000,000	Supports conservation of marine biodiversity and education on biodiversity and sustainable tourism

