



# Becoming a conservation entrepreneur

How to unlock alternative funding for nature





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# Acronyms

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CTF	Conservation Trust Funds
CCB	Climate, Community and Biodiversity Standards
EF	Environmental Funds
ELT	IUCN Environmental Law Team
FSC	Forest Stewardship Council
GEF	Global Environment Facility
INC	IUCN Incubator for Nature Conservation
IUCN	International Union for Conservation of Nature
NGO	Non-Governmental Organisation
PAME	Protected Area Management Effectiveness
PES	Payment for Ecosystem Services
REDD	Reducing Emissions from Deforestation and Forest Degradation
ROI	Return on Investment
SWOT	Strengths, Weaknesses, Opportunities, Threats
UNFCCC	United Nations Framework Convention on Climate Change
UTZ	"Good" in Mayan, certification for sustainable agriculture and agroforestry by Rainforest Alliance
VCS	Verified Carbon Standard

# Glossary

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**Asset:** Tangible or intangible property regarded as having value and available to meet commitments. Examples include cash, equipment, vehicles, and real estate.

**Bond:** Fixed income instrument that represents a loan made by an investor. Often government contracted.

**Business:** Organisation or entity engaged in commercial, industrial, or professional activities. It also refers to the activities and efforts of individuals to sell a product or service for profit.

**Business case:** Demonstration of expected results from investment and validation of the proposed investment or instrument, including income opportunities, alternatives, necessary resources, and evidence to justify pursuing a specific opportunity.

**Business driver:** A condition, resource, or process necessary for the success and growth of a business.

**Business incubator:** An organisation that supports companies (startups) in their first years to ensure their stability in the long term.

**Business plan:** Documentation and verification of objectives and specific strategies for how these objectives will be achieved, including description of products/services, market analysis, sales and income forecasts, marketing, and operating plans and financial plan.

**Capital:** Money or other assets used to create a benefit in the future. Examples include durable equipment and buildings.

**Cash flow:** The total amount of cash and cash-equivalents coming in and out of a business.

**Conserved / protected area:** A geographically legally defined area which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in-situ conservation of biodiversity, with associated ecosystem functions and services and, where applicable, cultural, spiritual, socioeconomic, and other locally relevant values. Some areas allow for sustainable use of resources, depending on their protection state.

**Effectiveness:** the degree in which something produces an expected or desired result.

**Efficiency:** a point of peak performance where the highest output is produced with the lowest input possible.

**Equity:** the total of a company's assets minus its liabilities. It is what a company owns. Private individuals can also have equity.

**Feasibility study:** Research project or document to determine whether to go ahead with a particular business idea, including information on economic viability and suitability to a specific context.

**Financial or funding gap:** The amount of money required to fund and finance activities of a business which is not currently funded with cash, equity, or debt.

**Financial instrument:** Assets that can be traded. They are physical or virtual representations of legal agreements on a monetary value.

**Financial mechanism:** A set of financial instruments that work together.

**Financial plan:** Comprehensive statement of long-term financial objectives and strategy for achieving those objectives, including an account of assets and liabilities, monthly costs, and a risk management plan.

**Fund/funding:** A fund is a pool of money that is set aside to be allocated for a specific purpose. Funding is the act of building a fund.

**Income:** The money an individual or company receives on a regular basis in exchange for labour, producing a good or service or through investing capital.

**Liability:** Obligations that arise during the course of operations. Examples include loans, accounts payable, and mortgages.

**Management plan:** A document which sets out the management approach and goals, together with a framework for decision making, to apply in a specific site over a given period.

**Payment for Ecosystem Services (PES):** Voluntary, legally binding transaction through which a user makes payment to a provider to ensure the supply of a well-defined and valued ecosystem service.

# Glossary

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**Political will:** The determination of political actors to do and say things in accordance with the meeting of a goal.

**Profit:** Financial gain resulting in the difference of what is earned and what is spent in producing a good or service.

**REDD+:** Reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries, a mechanism developed under the auspices of the UNFCCC to coordinate financing of results-based activities to conserve and sustainably manage forest carbon stocks.

**Return on Investment (ROI):** Gain or loss generated on an investment as the proportion of the amount of money invested, usually expressed as a percentage. The return-on-investment formula is:

$$(\text{Income}/\text{Investment}) \times 100.$$

**Revenue:** All inflows of money or other assets generated from the sale of goods or services.

**Risk:** Financially, risk is defined as the probability of an investment not returning the gains expected.

**Seed capital:** Is the capital used in the formation of a startup, provided by private actors sometimes in exchange for a share in the future profits.

**Startup:** A company in the first stages of operation.

**Trust fund:** A fund from different parties managed by a third one. These funds are often attached to a definite goal and conditions that those receiving the funds must fulfill.

**Theory of change:** A methodology followed by both public and private organisations to promote social change.

**Verified carbon unit (VCU):** Represents one ton of emissions reduced through a specific project which has been validated with the Verra VCU standard.



# Introduction: Incubating conservation

## PLENTY OF VALUE, NOT ENOUGH MONEY

Parks, reserves, and other public and private protected and conserved areas are some of the most valuable places on the planet. Protected ecosystems help clean the water we drink and the air we breathe, maintain the soil we use to grow food, store carbon to mitigate climate change, and provide a variety of health benefits. They support a tourism industry worth billions of dollars and provide primary or secondary jobs and livelihoods to countless people around the world. They also serve as the home and source of life for tens of millions of species, including many threatened with local or global extinction.

Despite their enormous economic, environmental, and social value, many of the world's more than 200,000 protected areas have trouble making ends meet. Management and operational costs are rising, driven by increasing public uses, growing demand for the ecosystem benefits provided, and mounting global challenges such as climate change and socio-political pressures. Government budget allocations are not enough to keep up; in fact, in many cases the allocation of public funds both from national and international parties is shrinking.

## OPPORTUNITIES AND MISSED CONNECTIONS

Conservation has long been financed chiefly by national and international government funds, though the idea of using private sector investment and other innovative mechanisms to finance conservation is not new. Tourism user fees and concession payments have been a source of conservation revenue for decades. However, in recent years a plethora of new tools, instruments and approaches has emerged, with significant potential being observed around private participation. Creative investment vehicles such as green bonds and biodiversity enterprise funds are becoming more popular and accessible. From global financial firms to individual investors, people are increasingly seeking sustainable and environmentally friendly options to put their money into, with the goal of producing social and environmental benefits while still generating a positive financial return, in what is known as impact investment.

This represents an enormous opportunity to unlock essential funding for protected and conserved areas. However, too often conservationists and investors seem to be reaching towards similar goals, but failing to connect. It seems as if neither party is speaking the same language (see Figure 1). On the one side, conservation actors require flexible, low-cost financing and availability of funds tailored to their needs. On the other, investors require risk security and attractive returns on investment. What seems to be urgently needed in these challenging times is a forum where investors, conservation specialists, and protected and conserved area managers and advocates can come together to explore their mutual interests, needs, opportunities and benefits.

### CONSERVATIONIST

- Unrestricted funds
- Money up front
- Low liability / risk
- Nature for the sake of nature!



- Return on investment
- Evidence of impact
- Appropriate scale

### INVESTOR

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**Figure 1: Conservationists and investors dialogue gap**

## THE BIRTH OF AN INCUBATOR

In 2016, the IUCN Environmental Law Team (ELT) put together an initiative to strengthen private funding for conservation. The ELT took on this challenge since financial issues create substantial obstacles to effective governance and implementation of environmental law. As a programme with decades of experience in protected area policy and governance, the ELT realised that legal and institutional circumstances create special challenges and opportunities for conservation finance projects that support area-based conservation. Drawing on examples from the tech and startup sectors, ELT developed the idea of an incubator to identify and nurture ideas coming from protected and conservation area managers and stakeholders who lack the knowledge, resources, or professional contacts to make them a reality.

The IUCN Incubator for Nature Conservation (INC) was funded by the Aage V. Jensen Foundation, a long-time partner of IUCN, with an expressed interest in advancing a potentially risky idea. Recognising that protected and conserved area financial questions go beyond law and governance, the ELT teamed up with two other IUCN Programmes: the Global Protected Areas Programme and the Business and Biodiversity Programme. Together, they set up a working group<sup>1</sup> of experts from different countries and backgrounds to select and support promising projects for financing conservation.

In 2017, INC launched an open call for proposals from practitioners working in protected and conserved areas on ideas for sustainable financing. The Working Group selected ten sites out of dozens of proposals to participate in the pilot phase of INC. Each selected site then followed a process tailored to its specific needs and opportunities, with a focus on identifying needs, developing capacity, incorporating expertise, and building the connections that can create sustainable long-term financing (Figure 2).



Figure 2: The methodology of the Incubator for Nature Conservation

The ultimate goal of the INC process is to enable the incubator sites to meet the standards of the IUCN Green List of Protected and Conserved Areas. The Green List provides certification to national parks, public and private nature reserves, community conserved areas, and other protected and conserved areas that demonstrate successful conservation results through effective management and good governance. The Green List has become a recognised global standard (see Box 1).

<sup>1</sup> **Stephanie Arellano** - IUCN Regional Office for South America, programme officer for biodiversity management, Green List expert, **Ana Laura Barillas Gómez** - Mexican Fund for the Conservation of Nature, expert in financing for protected areas management, **Gerard Bos** - IUCN Business and Biodiversity Programme Director, business/finance expert, **Silvana Bustillo** - Conservation biologist, specialist in protected area management effectiveness, **Charlotte Cresswell** - Lawyer, specialist in finance and capital markets, **Dimitrios Dimopoulos** - Piraeus Bank, specialist in sustainability, **Juan Carlos Gonzalez Aybar** - Conservation finance specialist working with investment funds dedicated to biodiversity conservation and sustainable economies, **Maria Pia Hernandez** - IUCN Regional Office for Mexico, Central America and the Caribbean, Law and Biodiversity Unit coordinator, **Lorena Martínez Hernández** - IUCN ELT, INC project manager, legal expert, **Lydia Slobodian** - IUCN ELT, INC project manager, legal expert, **Jim Tolisano** - Founder and principal at Innovations in Conservation (ICONS) and i4cNature, advisor to The Ocean Foundation, advisor and adjunct professor in conservation finance at New York University, **Sandra Valenzuela** - WWF Colombia, specialist in business development and fundraising

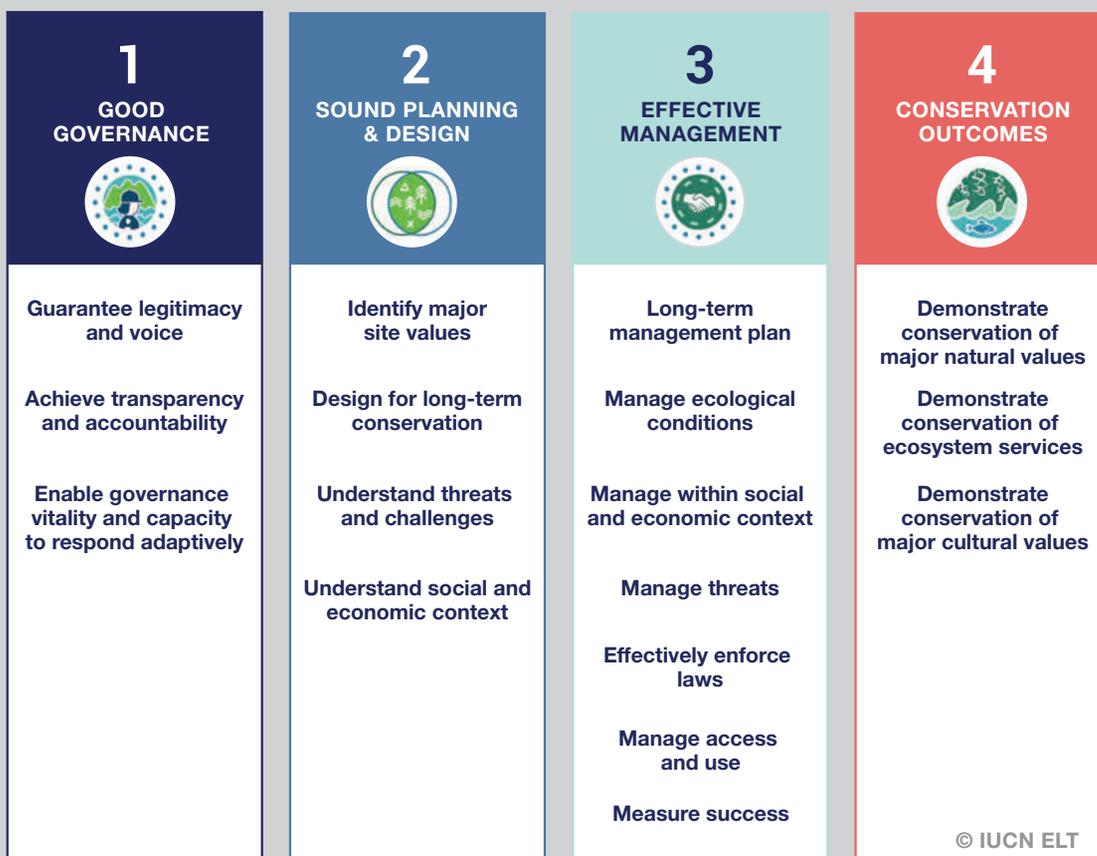
Box 1 **Investment aligned with the IUCN Green List of Protected and Conserved Areas**



The IUCN Green List of Protected and Conserved Areas is a global standard which aims to encourage, recognise, and promote protected and conserved areas that achieve successful conservation results through good governance as well as effective and equitable management of their natural resources. The areas which can demonstrate this receive certification for a period of five years, which can be renewed.

This certification promotes compliance with local, national, regional and global conservation goals; in turn granting sites greater visibility and recognition. In addition to incentivising management staff and members of the conservation community, it also seeks to motivate other actors representing different sectors who are interested in investing in protected sites with guaranteed compliance with their conservation objectives.

One of the current challenges for protected and conserved areas is long-term financial sustainability, as well as the management of threats that could put the area and its conservation values at risk. The Green List promotes collaboration and investment in effective and equitable implementation in protected and conserved areas committed to operate in accordance with the IUCN Standard. It provides a set of indicators that can demonstrate impacts to investors who search for financial returns and measurable contributions to long-term conservation.



The Green List, together with INC, is attractive for donors, since together they ensure that PAs have been independently evaluated through a transparent and objective process. They have been able to demonstrate, prior to global certification, that through good governance, design and planning, adequate management effectiveness, articulated with an efficient use of financial resources, they achieve biodiversity conservation in the medium and long term. Currently, several INC sites are Green List sites or candidates, including Tatamá National Natural Park, National Park of the Espíritu Santo Archipelago and Cordillera Azul National Park. In all three experiences, INC has supported the strengthening of their financial strategies, improving their management for them to maintain their Green List certification.

## SHARING WHAT WE LEARNED

Over the course of three years, INC worked with and supported the selected pilot sites to develop ideas, models, strategies, feasibility studies and business plans, among others. Along the way the team faced challenges, realised “real-life” constraints, achieved successes and made mistakes and learned from all of these experiences. The stories of these sites are available on [PANORAMA](#), a platform for sharing conservation solutions.

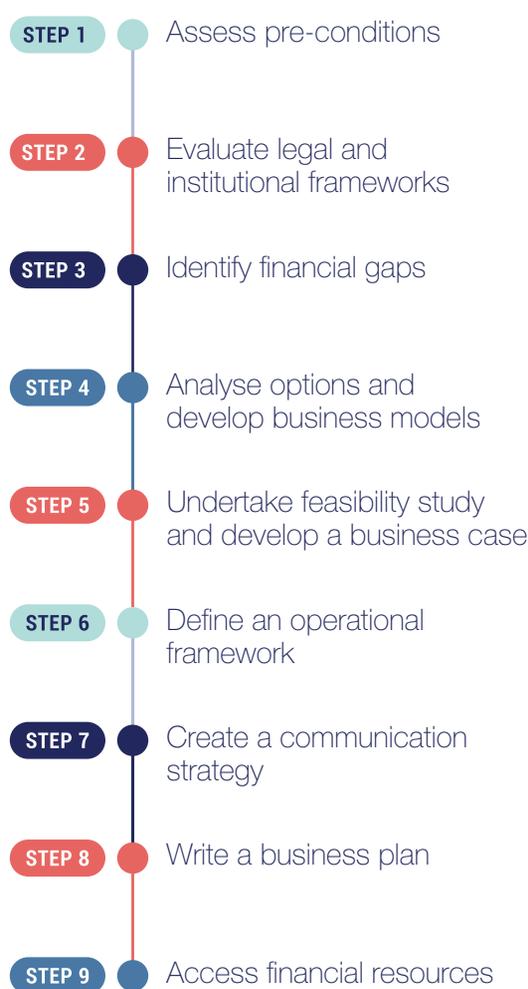
The objective of the present document is to pull together the key lessons, examples and resources generated through the INC pilot projects to inform future conservation finance projects and help bridge the gap between conservation and investment. It roughly outlines a process for developing and realising a mechanism to generate revenue for conservation, from evaluating enabling frameworks to building a business plan that allows practitioners to connect with investors (Figure 3). The INC process aims to capture the many components involved in developing a successful conservation finance project, while also recognising that not all steps will be relevant in all cases, and they do not necessarily happen in a specific order.

The INC team also recognises that this guide mostly reflects the Latin American context because it is based on the team’s experience on the ground. Other opportunities or contexts in different regions may not be fully reflected in this guide, but we do hope that these lessons are useful for a global audience.

This guide is principally intended for practitioners, including government officials, civil society organisations, indigenous and local community members and private landowners with an interest in developing sustainable financing projects for protected and conserved areas. It is aimed at all types and categories of protected and conserved areas, with examples from private land trusts, community conservation areas, and national, provincial, and state parks and reserves, including both terrestrial and marine areas.

The draft feasibility studies, finance strategies, business plans, contracts and other resources developed for the partner sites are available on the [IUCN website](#).

INC fully recognises that there is no silver bullet for financing protected and conserved areas. A wide range of financing options are available to practitioners, and new ideas are being tested all the time. The aim of this document is to present the hands-on experience gained in trying to explore alternative financing and to share the lessons that came out of it with those that are willing to take this challenge. The hope of the INC team is that readers will discover ideas that can help their unique situations, and perhaps stimulate more innovative strategies that will open other financial opportunities not yet tested. Future editions of this document will hopefully build from these initial lessons learned and embrace new cutting-edge innovative ideas.



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**Figure 3: The process for developing and implementing a business plan for investment in conservation**



# The basics of entrepreneurship: Business ideas, models, plans, cases, and the role of incubators

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Accessing alternative private funding sources requires a change in the business-as-usual funding activities of protected and conserved areas. These areas can choose to undergo profit-generating activities based on their resources, which can help their administration derive higher funds that enhance management. With these activities, areas can generate part of their own financial base and, furthermore, attract private capital for investment. It is thus relevant to understand the basic general way in which businesses are conceived, developed, and implemented, how they can attract sources of financing, and in which ways incubators can help them reach their goals.

A business idea is turned into a business model through the assessment of possible goods and services that have a certain demand. A business model is a general view of what a business venture might look like. It considers the ways and channels in which a service or a good will be offered to customers and the type of customers targeted (their location, age, gender, education, socioeconomic level, and cultural preferences amongst other). Once a business idea has been devised, it is further analysed through the development of a business model and related business cases. A business plan is then the basic document portraying the mission and short-, medium- and long-term goals of a business. This document is key for attracting investors.

Although business planning can take different forms, there are general guidelines that most ventures follow. The main subjects that a business plan must follow are:

- Executive summary
- Description of products and services to be offered in the market.
- Market analysis of possible demand, customers, and direct competitors, as well as size of the industry
- Marketing strategy on how to communicate with potential customers and attract them into using/acquiring the product or service in question.
- Financial planning with revenue objectives in the short, medium, and long term. The financial plan can help attract investors through the future

predictions of the firm's financial situation. While ongoing businesses will include financial statements, balance sheets and other financial information, new businesses should present their targets and estimates for the first years of operation.

- Budget including the calculation of all costs.

It is recommended that a business reviews its plan yearly and adjusts it to its current situation and the situation of the market. This also provides the opportunity for stakeholders to monitor the goals and realise what has been achieved and what can improve. Business plans are thus dynamic documents.

As dynamic documents, business plans can also be adjusted when undertaking the development of business cases. Although both business plans and cases require a thorough feasibility analysis, business cases are much more specific. They consider specific activities under a business plan that can be developed in different ways. In this way, business cases are comparable to scenario analyses. When, for example, searching for a way to finance a business model, the business plan might consider several options, and with the help of business cases, the analysis of these options results in an overview for the selection of those which are more effective and efficient. Business cases can be developed for activities such as marketing strategies, product development and sales channels amongst others.

An incubator is a non-profit or for-profit organisation that supports startups in their early stages. Incubators can offer technical support, mentoring, working space, networking and contact with business partners, financiers, and research institutions, and in some cases even capital in form of small loans. Incubators accompany startups until they are stable enough to drive their business on their own. This can take from a couple of months to years, depending on each startup case.

In the case of INC, the different projects incubated asked for different activities and financing instruments.

**Table 1: Projects incubated by INC, solutions applied, activities implemented, and financing instruments and mechanisms proposed or implemented**

COUNTRY	SITE	INC SOLUTION	INC ACTIVITIES	FINANCING INSTRUMENTS AND MECHANISMS
<b>Brazil</b>	Cavernas do Peruagu	Community-based tourism services and activities.	Training park manager on conservation finance. Developing structure for capturing tourism revenue through concessions, a tourism strategy and management plan. Analysis of options under current legal frameworks.	Capturing tourism revenue through concessions.
<b>Brazil</b>	Sinal do Vale	Commercialisation of regional organic products.	Training park manager on conservation finance. Developing economic feasibility study and business plan. Creation of a marketable brand. Connecting site with impact investors.	Revenue from commercialisation and investment from impact investors.
<b>Colombia</b>	Tatamá National Park	Commercialisation of carbon bonds.	Training park manager on conservation finance. Calculating financial gap. Conducting feasibility study and assessing previously identified financial mechanisms. Developing a business plan for REDD+ project.	Revenues from carbon bonds.
<b>Cuba</b>	Guanahacabibes and Banco de San Antonio	Tourism fees from cruises, hotels, and other activities.	Exchange workshop between Mexico and Cuba and exploring financial opportunities, especially the setting of entrance fees for tourists from cruise ships.	Revenues from tourism fees.
<b>Greece</b>	Lake Pamvotis	Entrance fees for visitors to cover the costs of the Lake Pamvotis Information Centre.	Training park manager on conservation finance. Conducting a preliminary feasibility study. Developing a business strategy. Preparing a legal analysis of fees, potential partnerships, and private investments. Preparing and submitting project proposals for financing conservation. Engaging of potential local private investors.	Revenues from tourism fees.
<b>Guatemala</b>	Bocas de Polochic	Strengthening farming projects and development of a brand for the reserve; developing an ecotourism strategy and capacity building; strengthening and capitalising on the Water Fund.	Diagnosis and prioritisation of selected mechanisms. Development of a more efficient, cheaper marketing strategy.	Revenues from the commercialisation of products and ecotourism and capitalisation on Water Fund
<b>Guatemala</b>	Sierra del Lacandón	Strengthening and capitalisation of microcredit fund, carbon bond commercialisation, development of an ecotourism strategy with a community focus.	Diagnosis and prioritisation of selected mechanisms, and diagnosis of financial planning	Revenues from microcredit fund, from ecotourism and carbon bond commercialisation.

COUNTRY	SITE	INC SOLUTION	INC ACTIVITIES	FINANCING INSTRUMENTS AND MECHANISMS
<b>Mexico</b>	Espíritu Santo	Sustainable community-based fisheries, blue carbon, replenish Espíritu Santo Endowment Fund.	Designing the recapitalisation model of endowment fund. Initiating negotiations with potential investors. Estimating the potential impact of the different economic activities into covering the financial gap of the management of the site.	Recapitalisation of a fund engaging investors and revenues from community-based fisheries. Potentially capitalising on blue carbon bonds.
<b>Namibia</b>	Greater Sossusvlei-Namib Landscape	Lodging levy applied by the members of the Greater Sossusvlei-Namib Landscape Association (GSNLA).	Developing and undertaking a needs and feasibility questionnaire of the levy assessment to stakeholders. Conducting feasibility study for implementation of levy following different models. Developing a model adoption strategy.	Revenues from lodging levy.
<b>Peru</b>	Cordillera Azúl	Commercialising carbon bonds under a REDD+ project.	Training park manager on conservation finance and developing capacities to commercialise carbon bonds. Developing a park's financial sustainability strategy, including the optimisation of commercialisation of future verified carbon units (VCUs).	Revenues from the commercialisation of carbon bonds.

Below are the steps that have been taken by INC and its partners to help conservation projects thrive through suitable planning, organisation, and financing through the adaptation of the general business development and incubation process to the specific case of conserved and protected areas.



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# Step 1: Assess pre-conditions

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When designing business models for protected and conserved areas, it is important to consider the starting conditions. If certain pre-conditions are not met, the design and implementation of a business venture or of sustainable financing mechanisms may take longer than expected and require more resources. Some pre-conditions are essential for developing successful projects that can meet their economic, social, and environmental goals in the long term, while others are ideal conditions that can make implementation much easier.

## ESSENTIAL PRE-CONDITIONS

### 1

#### Management plan

Management plans describe activities, needs and goals protected and conserved area managers are working to achieve, and act as frameworks for decision-making over a specific period of time. They provide practical information about the context, values, objectives, threats, governance structure and key stakeholders. According to the IUCN Green List Standard, each site should have a management plan or equivalent document that provides appropriate strategies and actions to achieve the goals of the area. Without a clear and up-to-date management plan, identifying financial needs and gaps becomes problematic, and it will be very difficult to convince any potential financier to invest in an area. More information about management plans can be found in the [IUCN Protected Areas Guidelines](#).

### 2

#### Site financial plan

Protected and conserved sites should have a comprehensive overview of a site's current financial state, projections of future income, long term financial goals and needs and steps needed to achieve the goals. Financial plans should be linked to specific programmes and activities, coherent with the management plan. Knowing and understanding the financial needs for implementing specific management programmes and attaining particular goals will enable managers to:

- Determine financial gaps;
- Prioritise and allocate funds;
- Identify business drivers;
- Design creative solutions;
- Consider partnerships that can provide in-kind help; and
- Provide evidence of results to potential investors.



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**Figure 4: Understanding the relationship between financial, business and management plans**

### 3

#### Enabling environment

An important priority of financiers when looking for investing options is the minimisation of risk. To minimise the risks of not meeting project goals, it is important to consider political will, legal frameworks, and institutional capacities in relation to the site and the proposed project. Legal and institutional frameworks are further discussed in Step 2. A solid understanding of the enabling environment can be achieved by consulting all actors or institutions involved in the management of a protected or conserved area, as well as key stakeholders. Political stability is essential to ensure that long-term goals can be implemented and strategic activities such as control and surveillance are not constrained. National policies are key for creating the right enabling environments but local politics may ultimately

determine the success or failure of new processes and projects. Furthermore, it is important to recognise the local capacities for delivering successful projects. A strong organisation amongst the actors undertaking a business project is essential. Strong organisations help ensure the resilience of businesses and thus, the reduction of risk.

## 4

### Good relationships and communication between key actors and stakeholders

Many different types of stakeholders can be involved in protected and conserved area management and use. Important stakeholders can include

- Protected area managers and staff; Communities and landowners in or around the area, particularly any affected indigenous and traditional residents;
- Users of natural resources from the area;
- Beneficiaries of ecosystem services provided by the area;
- Scientists and researchers who carry out field work within the area;
- Visitors to the area, including foreign and local tourists;
- Conservation organisations or other Non-Government Organisations (NGOs) concerned with the area;
- Local businesses and private sector organisations whose activities impact the area or who may have an interest in supporting conservation of the area through new or existing business ventures;

- Local and national government officials with mandates related to the area or surrounding communities.

Coordinated collaboration with key local, regional and national stakeholders is essential, no meaningful stakeholder should be left out of this process. Involvement of relevant stakeholders ensures transparency and accountability to all stakeholders. This is relevant because “social licence” to operate is crucial for any investment. This itself reduces the risk of failure in meeting project goals and generates trust between parties. Such an open process requires above all very robust and democratic governance on behalf of the management body of the area.

#### Box 2 **Key lesson: Shifting mindsets**

One of the biggest challenges in developing effective conservation finance projects is changing mindsets around where and how funding occurs. Many conservation practitioners have been habituated to depend on government funds, donations and international cooperation. There is a strong sense that protected areas are a public resource and should be publicly funded. However, in this reality where public funds are insufficient, understanding that protected and conserved areas can and should work to generate their own incomes is essential to enabling implementation of financial mechanisms to unlock other sources of funding. Changing mindsets requires time and creates significant challenges, but is essential in order to create a critical mass of well-informed and engaged protected area managers and other conservation practitioners prepared to apply 21st century principles to conservation ideals.

## IDEAL PRE-CONDITIONS

### 1

#### Management effectiveness assessment

If protected area staff have assessed their management effectiveness, it is very likely that they have a better understanding of their problems and needs. Protected area management effectiveness (PAME) assessment tools can provide evidence that protected areas have been managed well, and in a transparent, participatory manner (see a list of PAME methodologies and example of reports on the [Protected Planet website](#)). Additionally, they allow for better allocation of funds according to specific needs, and can provide investors with monitoring mechanisms, as they enable regular accounting of where the money goes.

### 2

#### Site business plan

Site-level business plans can help identify goals for the site and strategies for achieving them. Financial plans can be a component of business plans, but while site financial plans are essential for identifying assets and needs, site business plans can be helpful though not necessary for initiating a conservation finance project. Site business plans should not be confused with project business plans for specific conservation finance ventures. Both types of business plans are discussed in [Step 8](#).

## 3

### **Deep understanding of local, national, regional and international contexts**

Better understanding of the broader social, economic, political and conservation context will facilitate the design and implementation of appropriate and tailored financial strategies. Knowledge of other projects and activities in the region can create opportunities for connections and complementarity. Robust networks can help establish partnerships and identify additional interest and potential from different projects, donors and funding sources, improving the viability of a specific project.

## 4

### **Participation in the IUCN Green List**

The Green List of Protected and Conserved Areas is a globally recognised certification programme for management effectiveness. Sites that apply for certification undertake a process of evaluation and review against the Green List Standard, which provides them with information on current performance and how to improve. This process can help sites identify financial needs and opportunities. It also provides a baseline and indicators, which can allow site managers and potential investors to measure impact. A Green List site is also aiming to achieve good governance and equity, which is critical for fair access to protected areas financing.

#### **Box 3 Case study: Cuba, a complex environment unlocked through engagement**

Cuba has developed an elaborate system of protected areas with more than 100 distinct areas set aside or in the process of formal designation, representing more than 20 percent of the country's terrestrial area and more than 15 percent of its coastal and marine ecosystems. However, all of these areas suffer from insufficient funding. The well-trained and passionately committed staff have extremely limited resources to carry out basic and essential operations. Cuba's government is committed to its growing protected areas system, but financial allocations are limited by a weak economy and years of isolation from international markets.

INC was invited to work with Cuba's protected area authority (CNAP) to explore innovative market opportunities to increase operation and development funds. An early decision was made to focus on Guanahacabibes National Park (GNP) in northwestern Cuba, an area with high potential for Cuba's growing tourism sector. However, the initial efforts by the INC team were constrained by Cuba's complex legal and policy environment.

Cuba has developed an elaborate top-down bureaucracy with government dominance in most planning and decision-making. Protected areas fall squarely within this top-down process, and it was only after the engagement and endorsement of CNAP directors that protected area level staff were able to detect realistic financial needs and opportunities, and develop financial plans. The engagement of the key central government leaders opened the door to a series of workshops that introduced Cuba's conservation professionals to innovative financing tools that hold real potential for funding, and that fit well with their social, economic, and institutional context.

These preconditions defined the preparation of the INC strategy, and continue to guide all of the INC contributions to Cuba's conservation financial planning to this day. It was only through the recognition, acceptance, and compliance with Cuba's unique bureaucratic culture that INC was able to aid the Cuban team with an opportunity to focus on specific mechanisms and evaluate their feasibility, and coherent tools to act on them.



## Step 2: Evaluate the legal and institutional frameworks

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Effective finance projects for protected and conserved areas depend on legal, institutional, political and social factors that determine what options are available and how projects can be structured. This section presents some frameworks regarding specific financing instruments. For a deeper understanding on financial instruments, refer to [Step 4](#).

### LAND TENURE AND RESOURCE OWNERSHIP

Conservation finance options depend on clear definition of ownership and use rights in relation to land and other natural resources. Land tenure conflicts or lack of clarity can create challenges for conservation and increase the risk of unsuccessfully meeting project goals. In Peru, immigrants from the north of the country settle without clear legal rights in the areas surrounding Cordillera Azul National Park, threatening deforestation in the buffer zone. Informal settlements in the outskirts of Rio de Janeiro in Brazil put pressure on nearby protected areas and connectivity areas, exacerbated by the fact that ownership of the lands is not clear. On the other hand, in Colombia, compensation from the private sector for biodiversity loss can be used to purchase private properties within protected areas and return them to public land.

Indigenous peoples and local communities have rights to their territories recognised at different levels in international and national law, and may have their own customary systems for governing resources. In Colombia, indigenous and Afro-Colombian communities own nearly 4.4 million hectares, which are subject to special conditions and requirements in relation to land tenure and agreements. Where a conservation finance project takes place on indigenous peoples' lands, the right to free, prior and informed consent needs to be respected.

Some revenue-generating projects implicate new types of property rights, such as those based on carbon bonds and genetic resources. Projects involving these resources depend on legal definition of who owns the resources and who has the right to benefit from them. For example, in some countries, genetic resources are owned by whoever owns the land on which they are found, whether that is a public or private owner. In others, they are owned by the public, represented by a specific government entity.

Rights to benefit from climate financing can similarly be defined by the government. In 2018, Peru passed a climate change framework law providing for development of guidance for public and private organisations to receive and administer funding for climate change mitigation and adaptation measures, and began a process of harmonising Reducing Emissions from Deforestation and Forest Degradation (REDD) projects implemented under a voluntary standard with national accounting reported to the United Nations Framework Convention on Climate Change (UNFCCC). During the 2008-2018 period, more than 25 million tonnes of CO<sub>2</sub> emissions were avoided through a REDD project implemented in Cordillera Azul National Park. The project will be harmonised with the national inventory in a way that avoids double counting of bonds sold abroad.

### CAPACITY TO ENGAGE IN BUSINESS

To participate in revenue-generating activities the manager or owner of the protected or conserved area needs to have the ability to enter into contracts, receive funds, and make deals related to natural resources. This may not be a problem for private protected and conserved areas, but public protected area managers may face restrictions. For example, in Brazil protected area managers are not allowed to spend or handle money except under strictly defined circumstances.

The law can explicitly allow management authorities to use various funding tools, such as setting entrance fees, selling promotional materials, issuing concessions, licensing or setting fees for eco-tourism activities, and receiving donations. In Greece, the Law on Management Bodies of Protected Areas ([ΝΟΜΟΣ ΥΠ' ΑΡΙΘΜ. 4519 Φορείς Διαχείρισης Προστατευόμενων Περιοχών και άλλες διατάξεις](#)) ensures the annual public funding of Management Bodies. Furthermore, as the Ministry of Environment has embarked on an evaluation of the Management Bodies in Greece, it is preparing structural changes and is discussing the possibility of a) including mandatory Financial (Business) Plans to accompany the Management Plans that are currently being drafted and b) allowing each Management Body to develop its own business activities (see [Box 4](#)).

In many systems, fees collected at the site level go to a central management entity, to be later distributed among the sites in the country, or added to the general national budget. This creates disincentives for managers to set and collect fees at an adequate level to promote conservation, and severely limits their capacity to achieve financial sustainability.

In many cases, conservation finance projects involve third parties who take on financing or management responsibilities for the protected area. Here, national frameworks dictate the extent to which protected area managers can delegate authority to these third parties through management contracts. For example, in Brazil, in Cavernas do Peruaçu, Ekos Institute entered into a contract with ICMBio to take on fundraising responsibilities, but does not have the capacity to issue licenses or concessions (see [Box 9](#)). In Guatemala, the NGOs Defensores de la Naturaleza shares management responsibility for multiple protected areas with the National Council for Protected Areas (CONAP), but they cannot set or collect entrance fees (see [Box 8](#)).

#### Box 4 **Case study: Lake Pamvotis, Greece** **Identifying gaps to improve legal frameworks**

Lake Pamvotis in Northwest Greece is one of the oldest lakes in the world—7 million years old—and home to hundreds of species of plants, fish, amphibians and birds as well as a thriving human community. Its name “Pamvotis” means the one who feeds everything. The Park belongs to the European Network of Protected Areas, NATURA 2000.

When INC started working with the Park Management and staff to identify business opportunities, some gaps and unclear points in existing legislation emerged as obstacles and even constraints. Park Managers and staff relied exclusively on public funding, and the legal framework didn’t provide incentives or clear opportunities for them to explore alternative funding sources. It quickly became clear that in order to unlock new revenue streams for this Park, as well as others across Greece, it was necessary to encourage change at a central level.

Working with local consultants, the INC team prepared a proposal for an amendment of existing legislation and met with the Ministry of Environment, introducing clearer clauses regarding private funding and an integrated business plan for the protected areas. The amendment would not only drive Managers to seek alternative funding opportunities but also send out the right signal to potential investors. Strengthening the enabling environment would also contribute to creating a critical number of Management Bodies that would take this issue on board and help change the mindsets of conservationists unaccustomed to treating a protected area as a business. The Ministry of Environment is currently working on the proposed amendment.

## CONCESSIONS AND LICENSING

Concessions and licences for tourism, fishing and other resource uses are governed by national legal frameworks that vary by country. These laws and regulations determine licensing processes and fees as well as who can issue licences and what conditions are imposed. Exclusive concessions can be used to promote co-management arrangements that can generate revenue for local users and conserved sites. Concession arrangements do not have to be monetary—they can be used to obtain in-kind contributions of necessary services. For example, in Cavernas do Peruaçu, in Brazil, local guides are given concessions to bring tourists into the Park in exchange for an agreement to work on maintaining trails and fighting forest fires, benefitting the park.

## OFFSETTING, COMPENSATION AND CARBON CREDITS

Some countries have policies or laws related to offsetting and/or compensation for harm to the natural environment. Offsetting and environmental harm compensation can be powerful tools for financing conservation. In Colombia, by law every project that includes the use of water taken directly from natural sources and subject to an environmental licence must allocate 1% of the total investment for the recovery, conservation, preservation and monitoring of the river basin that feeds the respective water source, including those in protected and conserved areas. In Brazil, judicially imposed penalties for environmental wrongdoing can be used to fund conservation.

A familiar form of offsetting is trade in carbon bonds. Frameworks for carbon trade can include requirements for offsetting emissions, and stipulations regarding location and type of carbon offset projects. The Carbon Offsetting and Reduction Scheme for International Aviation, an emission mitigation approach for the global airline industry, provides new offsetting opportunities. In Guatemala, INC partners are exploring the development of a national strategy that would require international travel to and from Guatemala to be compensated at least in part through bonds generated in the country.

Legal frameworks can also provide guidance on monitoring and evaluation of carbon projects. The Peruvian Climate Change Law (*Ley No. 30754, Ley Marco sobre Cambio Climático*) provides a framework for reporting to the Ministry of the Environment by administrators of carbon financing.

While offsetting may offer an opportunity to finance protected areas, these schemes are not always appropriate conservation tools. According to the IUCN Policy on Biodiversity Offsets adopted in Resolution WCC-2016-RES-059-EN:

### ***IUCN Resolution WCCC-2016-RES-059-EN on Biodiversity Offsets***

*“Under the specific conditions outlined in this policy, it is IUCN’s position that biodiversity offsets can contribute to positive conservation outcomes. However, biodiversity offsets are only appropriate for projects which have rigorously applied the mitigation hierarchy (avoid, minimise, restore/rehabilitate and offset) and when a full set of alternatives to the project have been considered.*

- Offsets must only occur after all previous steps in the mitigation hierarchy have been considered and no alternatives are available. Avoidance is the first and most important step in the mitigation hierarchy. Biodiversity offsets must never be used to circumvent responsibilities to avoid and minimise damage to biodiversity, or to justify projects that would otherwise not happen.*
- The mitigation hierarchy must be applied at the landscape or seascape level with mitigation actions designed and implemented at a site or project level. Governments should ensure the mitigation hierarchy is embedded in the framework of landscape and seascape level planning and legislation and is part of existing and future strategic development plans.*

- Only after applying the earlier steps in the mitigation hierarchy should biodiversity offsets be employed to address the residual impact in order to achieve at least No Net Loss and preferably a Net Gain at the project level. The terms No Net Loss or Net Gain refer to the outcome achieved compared to a reference scenario. This reference scenario can be what is likely to have occurred in the absence of the project and the offset, or one that provides a better outcome for biodiversity conservation. Societal values should also be accounted for and used to inform the design and implementation of biodiversity offsets.*
- In certain circumstances, residual impacts on biodiversity (after completing the avoidance, minimisation and rehabilitation steps of the mitigation hierarchy) cannot be offset. Additionally, there are some components of biodiversity for which impacts could theoretically be offset, but with a high risk of failure. Under these circumstances, biodiversity offsets are not appropriate, and this means the project as designed should not proceed.”*

## PAYMENTS FOR ECOSYSTEM SERVICES

Payments for Ecosystem Services (PES) projects can be based on general contract law and licensing frameworks, but in some cases countries have a specific law or policy on PES. Such a law can define recognised types of PES, create special institutions or national funds for managing PES, set guidelines for valuing ecosystem services, or require PES for certain industries. For example, in Peru the Law on Compensation for Environmental Services (*Ley No. 30215, Ley de mecanismos de retribución por servicios ecosistémicos*) identifies the actions that can qualify under PES and the elements that payment mechanisms need to have. The Law creates a registry for PES and also designates roles to the Ministry of the Environment and regional and local governments to facilitate and promote PES mechanisms.

## INSTITUTIONAL CAPACITY AND RESOURCES

Conservation finance initiatives can involve significant administrative costs. Institutional capacity, including human capacity and financial resources, must be taken into account in determining whether projects will be viable. While the goal of protected area finance projects is typically to increase the resources available to management institutions that can translate into the achievement of conservation goals, insufficient capacity may prevent projects from getting off the ground.

## TRANSPARENCY, ACCOUNTABILITY AND PARTICIPATION

Transparency and accountability are fundamental requirements of good governance. They are even more relevant where management authorities are allowed to engage in business operations in public lands. Frameworks relating to access to public information, transparency and accountability of public authorities for the management of public funds may exist to ensure that limited resources are managed properly. In Colombia, the Office of the General Comptroller of the Republic is in charge of overseeing and controlling the use of public funds and scrutinising contracts. Legal frameworks can also support or require transparency and opportunities for participation of the public or specific stakeholders. The Climate Change Law of Peru (*Ley No. 30754, Ley Marco sobre Cambio Climático*) safeguards the right of indigenous peoples to participate in climate investment projects that affect them, and prioritises financial resources destined for vulnerable populations, including indigenous peoples and women. Where communities are involved in producing or processing goods or resources, transparent selection processes that provide equal participation opportunities can help avoid disputes and ensure fair distribution of resources and opportunities.

## COMMITMENT AND POLITICAL WILL

Even when all legal and institutional frameworks are in place, nothing can happen if there is a lack of commitment and political will. Political changes and institutional turnover during the life of the project can seriously affect the availability and effectiveness of finance mechanisms. Strong and lasting commitment at site, regional and national levels is necessary to ensure that conservation finance projects can adapt to changing circumstances and be successful.





## Step 3: Identify financial gaps

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Despite their environmental value some protected and conserved areas face important financial gaps. Financial gaps are defined as the lacking financial needs, both monetary and in-kind, that ensure the undertaking of specific activities within projects. It is the difference between the funds a site has and the funds it requires. It is thus important to determine a site's financial needs and how to meet them. Otherwise, the management effectiveness to achieve conservation goals might be affected.

Identifying financial gaps is a key first step to developing a strategy for sustainable financing. To avoid an unrealistic "wish list", financial needs should be correlated to conservation objectives and planned activities as set out in the management plan or other foundational planning document of the protected or conserved area (see [Step 1](#)). Ideally, the activities generating financial gaps should be grounded on indicators of management effectiveness as used in the management effectiveness assessment and/or related to the Green List standard. This provides a basis for getting support from different stakeholders and financing sources.

### 1

#### **Develop a strategic component**

Under the management plan or other planning document, define objectives and activities in the short, medium and long term to achieve conservation goals.

This may include only personnel and essential day-to-day operating costs needed to maintain conservation values. Under an optimum scenario, additional resources may be available for activities, improvements and investments in the site that achieve a higher standard of conservation, benefit local communities, and lower costs in the long term. Calculate the financial costs and conservation benefits of each scenario.

### 2

#### **Define costs**

Identify the financial requirements for each activity in the strategic component. For example, how much does fire management cost? Include costs of personnel (firefighting staff), equipment (buckets, hoses, vehicles, shovels), infrastructure (roads, stations, water points) and supplies (water, sand, fuel). The calculation of costs should also take into account the temporal frame of each activity. How long does a certain activity take and how often will it be undertaken?

### 4

#### **Map available resources**

Consolidate all existing sources of funding for the protected or conserved area. Consider public and private funding sources, as well as contributions from communities. This can include in-kind support, as decreasing costs also contribute to protected area financial sustainability.

### 3

#### **Establish scenarios**

Consider basic or optimum scenarios according to the conservation goals to be achieved. A basic scenario includes the minimum resources possible to achieve the overall conservation goal of the site.

### 5

#### **Calculate the gap**

Determine the difference between available resources and necessary resources for each scenario.

This process can be facilitated by including financial planning in the general planning processes of protected and conserved areas. Identifying financial gaps helps site managers include prioritised actions to close these gaps in management plans at the outset. In many protected areas, only the personnel and basic operating costs are covered by the government, meeting at most the needs of the basic scenario. To achieve the optimum scenario, it is necessary to develop ways in which financing instruments can be adapted, mixed, and implemented.

Box 5

### **Case Study: Tatamá National Natural Park, Colombia** **Assessing the financial gap to meet the Green List standard**

Tatamá National Natural Park is located in the Chocó biogeographical region of Colombia, and protects 51,000 ha of primary forest and ecosystems in an excellent state of conservation. The National Park has a 5-year management plan with a calculated cost of approximately USD 2,220,000 to implement strategic actions and maintain the management effectiveness standards included in the IUCN Green List, in which Tatamá has participated since 2014. All of the costed actions are correlated with indicators of management effectiveness following the assessments carried out for the protected area.

The costing of the management plan and identification of the gap, undertaken through a consultancy financed by INC, determined a financial gap of over USD 1,500,000 (68% of the total cost). The principal activities that should be strengthened, as identified through the gap analysis, are: i) prevention, monitoring and control; ii) participation in decision-making in relation to ecotourism; and iii) signing of management agreements with local communities for provision of ecosystem services. Having this detailed analysis and understanding the relationship between financial aspects and achievement of management effectiveness actions has allowed Tatamá National Natural Park to begin the process of identifying mechanisms and strategies to solve the financial gap and to continue to maintain high standards of management.



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## Step 4: Analyse options and develop business model

Private investment in conservation seems like a promising way to address a serious financial gap. However, unlike public funding, private investment is conditioned to the generation of dividends, that is, returns on the money given as an investment to a third party. Thus, securing private investment requires a revenue-generating activity, which can involve the sale of a tangible product (e.g. fish, honey, coffee); a deal involving an intangible product (e.g. sale of carbon bonds, benefit-sharing from genetic resources); or the provision of a service (e.g. accommodation facilities, hiking tours, energy production). In all cases, opportunities can exist within the boundaries of the site or in the surrounding area. The first step is coming up with a revenue generating idea, then elaborating this idea into a business model.

### REVENUE-GENERATING OPTIONS

The initial step in identifying a workable business model is identifying assets in the area that can be used to provide revenue for conservation. Assets can include, for example, exceptional beauty, biodiversity, natural resources (e.g. water for agriculture), marketable products, or offsetting potential. Conservation practitioners should consider the value of different assets, potential markets, and whether the assets can be used sustainably to generate revenue for the site. There are a wide range of possible options.

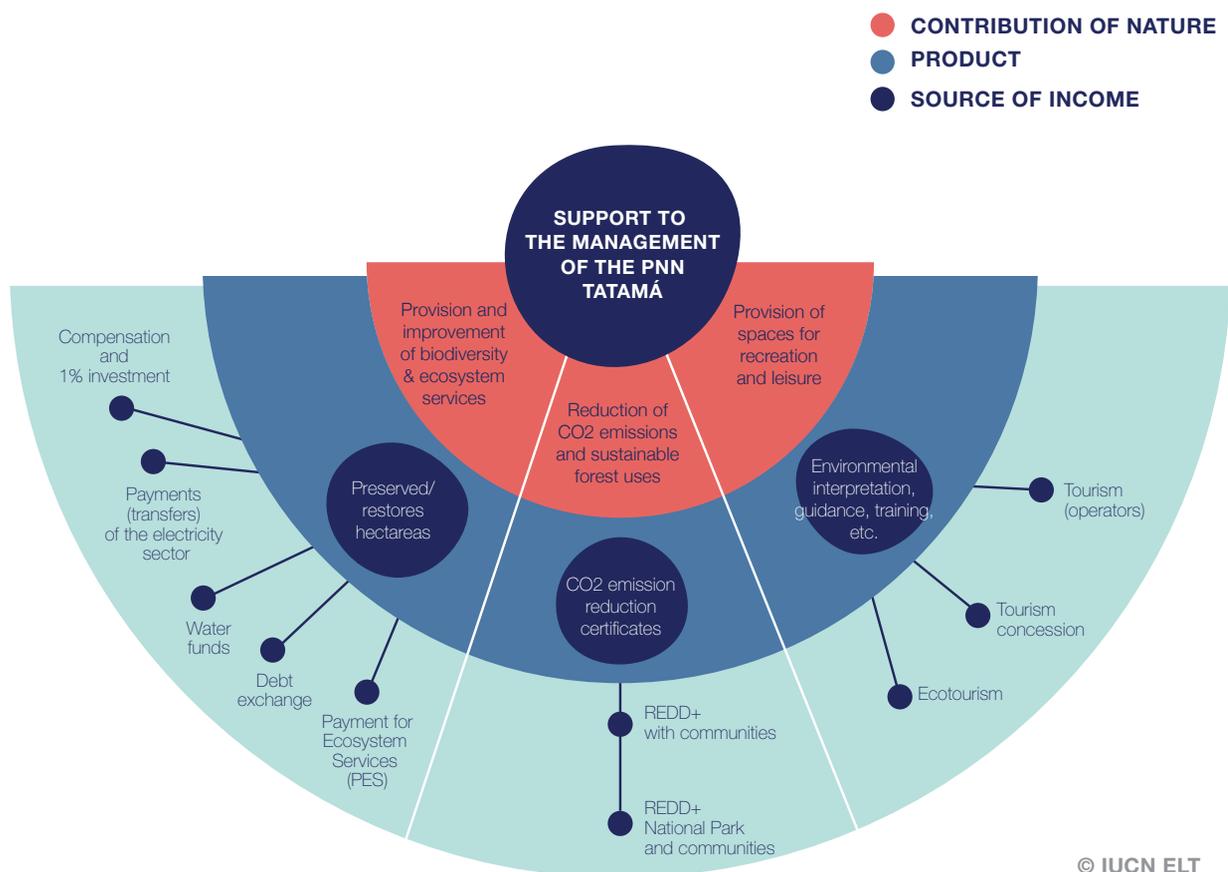


Figure 5: Example of revenue generating options for Tatamá National Park

**Tourism fees:** Sustainable tourism can provide revenue through a range of mechanisms. The most straightforward is entry fees, charged to everyone who enters the park. Fees can also be charged for activities or use of infrastructure, such as climbing, diving, parking or camping. Fees can be charged at the entrance to the area, collected by tourist operators such as hotels, cruise ships or diving operators, or assessed in airports or ports. The Greater Sossusvlei-Namib Landscape Association developed a model for adoption of bed-night fees to be collected by hotel operators, to support conservation activities in the landscape (see [Box 6](#)). Where there is concern about preserving accessibility of public protected areas, fees can be significantly different for foreign and local tourists.

Box 6 **Case Study: Greater Sossusvlei-Namib Landscape, Namibia**  
**Funding conservation through a “bed levy” on tourists**

Stakeholder engagement was a key feature in the development of the business plan for the Greater Sossusvlei-Namib Landscape (GSNL) Incubator project in southwestern Namibia. GSNL is located in one of the world’s most unique and spectacular landscapes, including vast expanses of rugged, multi-colored deserts populated by much of the classic wildlife for which Africa is renowned. It encompasses a unique environment in which wildlife continually adapts to an ever-changing variety of microhabitats and ecological niches, and is the only coastal desert in the world that includes extensive dune fields influenced by fog. Much of the land in the region is managed by a private landowner association known as the Greater Sossusvlei-Namib Landscape Association (GSNLA). The management goal is landscape scale biodiversity conservation with a strong focus on socioeconomic development for the sustained benefit of the people living in the region.

International and domestic tourism is an important part of the local economy. In an effort to generate revenues for conservation and sustainable development, GSNLA is exploring charging a levy from tourists staying at member lodges in the landscape. The levy will be an opt-out fee collected at check-out from guests. Through the use of a member and stakeholder survey and interviews the Association developed a levy pricing model and business plan based on a five-year budget, as well as a mechanism to collect the levy and in turn utilise it for Association operations, and conservation and socioeconomic development projects among members and stakeholders.

**Licensing fees:** Licences and concessions for exploitation or use of resources, such as fishing, hunting, logging, mining or other commercial activities can be used as a source of funding for conservation. These include tourist concessions, such as diving, hotel, tour or food concessions. For example, Cavernas do Peruaçu is set up to benefit from concession agreements with food sellers and tour guides (see [Box 9](#)). The Management Body of Lake Pamvotis is looking into fees from environmental licensing of businesses to ensure resources for the management and monitoring of the protected area. In implementing this option, it is essential to ensure that licences or concessions are only issued for sustainable activities that do not undermine the objectives of the site.

**Payments for Ecosystem Services:** PES is more often seen as a government-based incentive approach to conservation. However, private schemes for PES can be arranged through user fees. Under such PES arrangements, users pay for the value they receive from ecosystem services generated by the protected or conserved area. This payment is used for conservation of the valuable ecosystem. For example, in Guatemala, Sierra de las Minas generates 100% of the water used in the region north of the Motagua river, and the region south of the Polochic River. Approximately 500,000 people, 5 small hydroelectric projects, 6,000 agricultural hectares and 72 agricultural companies use this water. Downstream users have indicated a willingness to support conservation of these resources.

**Sale of carbon credits/REDD+:** In sites with high carbon sequestration potential and adequate legal frameworks, sale of carbon bonds can generate significant funding for conservation. In Cordillera Azul, Peru, Althelia Climate Fund, now Althelia-Mirova, invested over 8 million USD to finance activities that avoided deforestation inside the national park, resulting in the generation and certification of carbon bonds which, when sold, provided a financial return for Althelia-Mirova and the necessary resources for Cordillera Azul to cover its operating expenses for several years, thus ensuring its conservation and protection. Tatamá National Natural Park is working with Afro-Colombian communities to establish a REDD+ project in areas covered by a co-management agreement, the revenues of which will be used to strengthen management effectiveness

**Offsets, compensation and penalties:** Where private activities cause damage to the environment, companies can be required to offset this damage through investment in offsets or compensation. This can take the form of biodiversity offsetting requirements that apply to industries from the outset, or penalties imposed on corporations or individuals for violations, such as illegal hunting or exceeding emissions restrictions. In both cases, the amount of compensation or offset should be equivalent to or greater than the amount required to rectify or replace the damage caused, and should be earmarked for conservation purposes. Cavernas do Peruaçu National Park in Brazil was established with funding from Fiat, through a judicial settlement agreement arising from irregularities in vehicles produced and sold by the company.

**Sale of sustainable products:** Products sustainably sourced or produced within or around a site, such as coffee, honey or fish, can be sold locally or at a national or international level to support protected and conserved areas. Directing revenue from these products to conservation can involve a specially created mark or brand that adds a price premium, or support from protected area managers or conservationists in developing, selling or certifying the products. For example, in Sinal do Vale, Brazil, conservationists have developed products from jackfruit and other “fruits of the forest”, which they process and sell under the brand “Frutas da Floresta” as part of a landscape regeneration initiative (see [Box 10](#)).

**Bioprospecting:** Genetic research is an important and potentially commercial activity which can directly benefit conservation. Most benefits from bioprospecting result from long term relationships developed between researchers (both local and international) and the biodiversity rich areas in which resources are found. These relationships can channel equipment, funding and important scientific information to support conservation.

**Taxes:** National or local government taxes on water, carbon, fuel or other resources, if earmarked for conservation, can be an important source of funding for conservation. Accessing these resources requires specific legal frameworks and cooperation systems to be in place. Operating the tax-based funding can be best approached through the creation of a trust fund.



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## DEVELOPING A BUSINESS MODEL

Going from an idea to a business model will depend on context and legal and institutional frameworks (see [Step 2](#)). A site may have significant beauty that would be attractive to tourists, but lack accessibility and infrastructure. To be able to finance infrastructure, a site could decide on charging entrance fees. However, if the legal framework prevents the site from financially benefiting from tourism, for example because entry fees are sent to a central government budget rather than staying with the site, as is the case, for example, in Colombia, Mexico and Brazil, then tourism may not be a good option for the site, or it may require investment in infrastructure or a more complex governance structure (see [Box 9](#)). The business model should be sustainable in the long term.

It is essential to consider the needs, capacities, and interests of different stakeholders in developing a business model. This includes government actors at all levels, civil society organisations, local businesses and industries, and communities living in and around the area. These groups can be important partners in developing and realising the project, or they can create obstacles.

Where compatible legal measures are not in place, it may be possible for protected areas managers and other project proponents to work with policymakers to revise relevant frameworks. This can require building a case to convince the relevant agency or lawmaker of the economic potential, feasibility and efficiency of the proposed revision of laws and regulations (see [Step 5](#)).

It is also important to consider the cost of the process of developing and realising the business. This includes not only the necessary initial investment, but also the time and resources needed to elaborate a business plan and undertake necessary studies and consultations. In some cases, undertaking the steps detailed here can take several years. Furthermore, the business model should contemplate the possible organisational shapes it can take based on legal frameworks. Building private-public partnerships, private small and medium companies or partnering with an external enterprise can allow conserved and protected areas to incur lower costs and unlock different sources of funding (see [Step 6](#)).

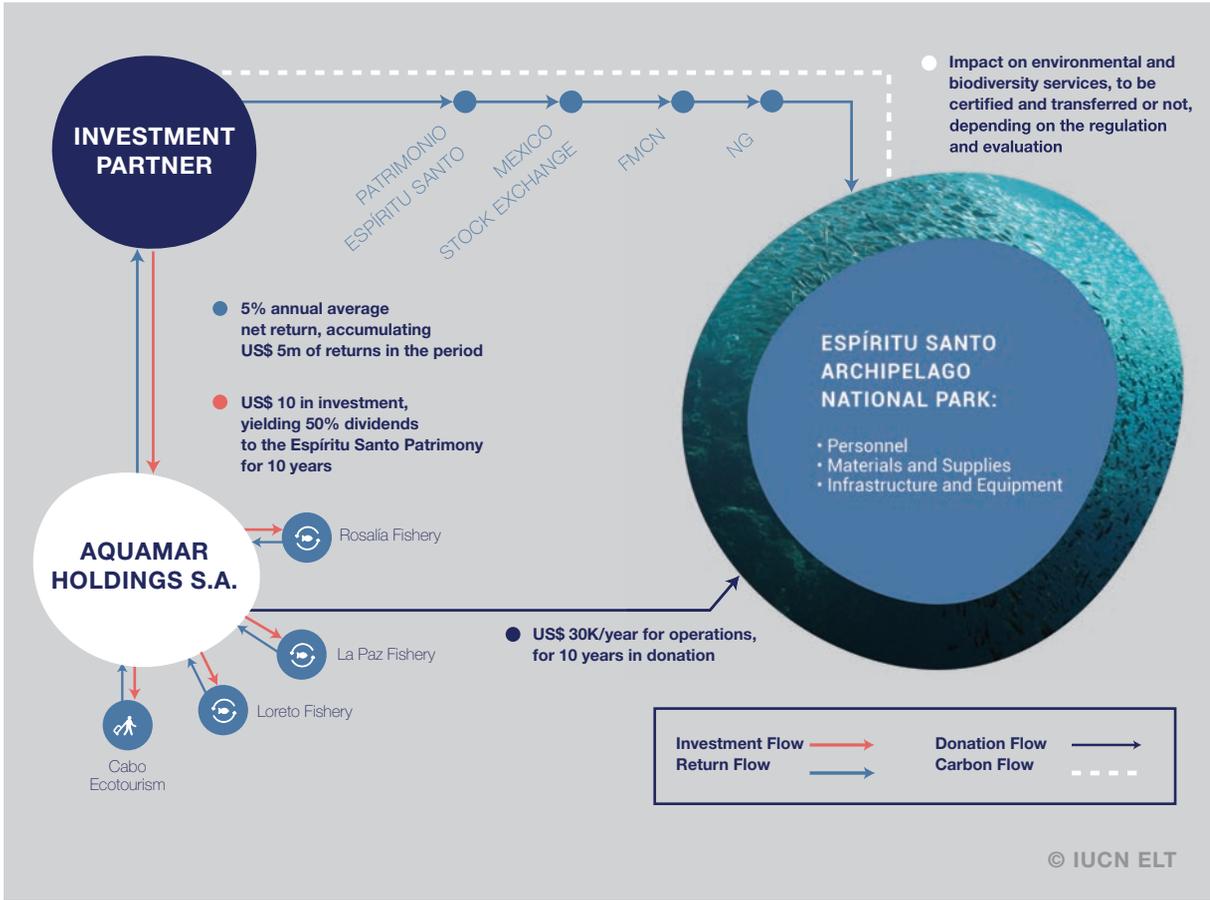
### Box 7 **Case Study: Espíritu Santo, Mexico** **Creating a conservation dividend from sustainable fishing**

Espíritu Santo National Park is a complex of islands, one of the 182 Mexican protected areas administered by the National Commission of Natural Protected Areas (CONANP). Espíritu Santo's abundant marine biodiversity is potentially threatened by fishing and tourism activities.

Fisheries provide an important source of income to local populations in the areas adjacent to Espíritu Santo in La Paz bay, and throughout the Gulf of California. Nevertheless, often conflict between fishing activities and conservation of the marine environment occurs, such as encroachment on and degradation of Espíritu Santo National Park by illegal small-scale fisheries activities. At the same time, there is a growing market for sustainably caught fish that meet international certification standards; such fish can command a premium price on the market. Community-based fisheries governance models can be used to ensure sustainability while improving livelihoods and serving the needs of local communities. Such sustainable fisheries projects can provide a return to investors as well as a conservation dividend to support operation of the protected area.

INC worked with CONANP, the Mexican Fund for the Conservation of Nature (FMCN) to develop a funding mechanism around sustainable community-based fisheries in Espíritu Santo. The mechanism centers on an impact investment vehicle for sustainable fisheries which will raise funds from impact investors and generate dividends from its investments in the innovative sustainable fisheries businesses that are flourishing in and around La Paz bay. Part of the dividends will go to the impact investors, and part will go as a conservation dividend to Espíritu Santo National Park to add to the existing Espíritu Santo Endowment Fund (ESEF). FMCN serves as the custodian of this Fund. The fisheries receiving long-term adapted financing terms will engage in conservation binding agreements with Espíritu Santo National Park.





## Step 5: Undertake a feasibility study and develop a business case

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Once one or more assets and/or potential business models have been identified, a feasibility study can help prioritise ideas and determine whether to develop a particular project, or not. The feasibility study explores multiple aspects of a business idea to determine if it is practical, viable and suitable for a specific context. It provides important information to build a strong business case, that can convince investors to support a project that has been identified as economically viable and functional. Both the feasibility study and the business case support the construction of a business plan and financial plan.

### CONDUCTING A FEASIBILITY STUDY

The feasibility study can be conducted for more than one business idea or project as a means to prioritise those that should be carried forward. It requires a considerable amount of resources (literature review, additional studies, time, etc.), as it intends to answer all possible questions and evaluate multiple aspects of a business venture in order to make an informed decision on which business idea to develop. Thus, it is recommended to start with a preliminary feasibility study that can rapidly evaluate fundamental aspects of the project using a multicriteria approach, especially when considering a long list of possibilities. If applied with multiple stakeholders, it provides participation opportunities as well as an efficient way to consolidate large amounts of information and knowledge based on relevant experiences brought by all participants (see [Box 8](#))

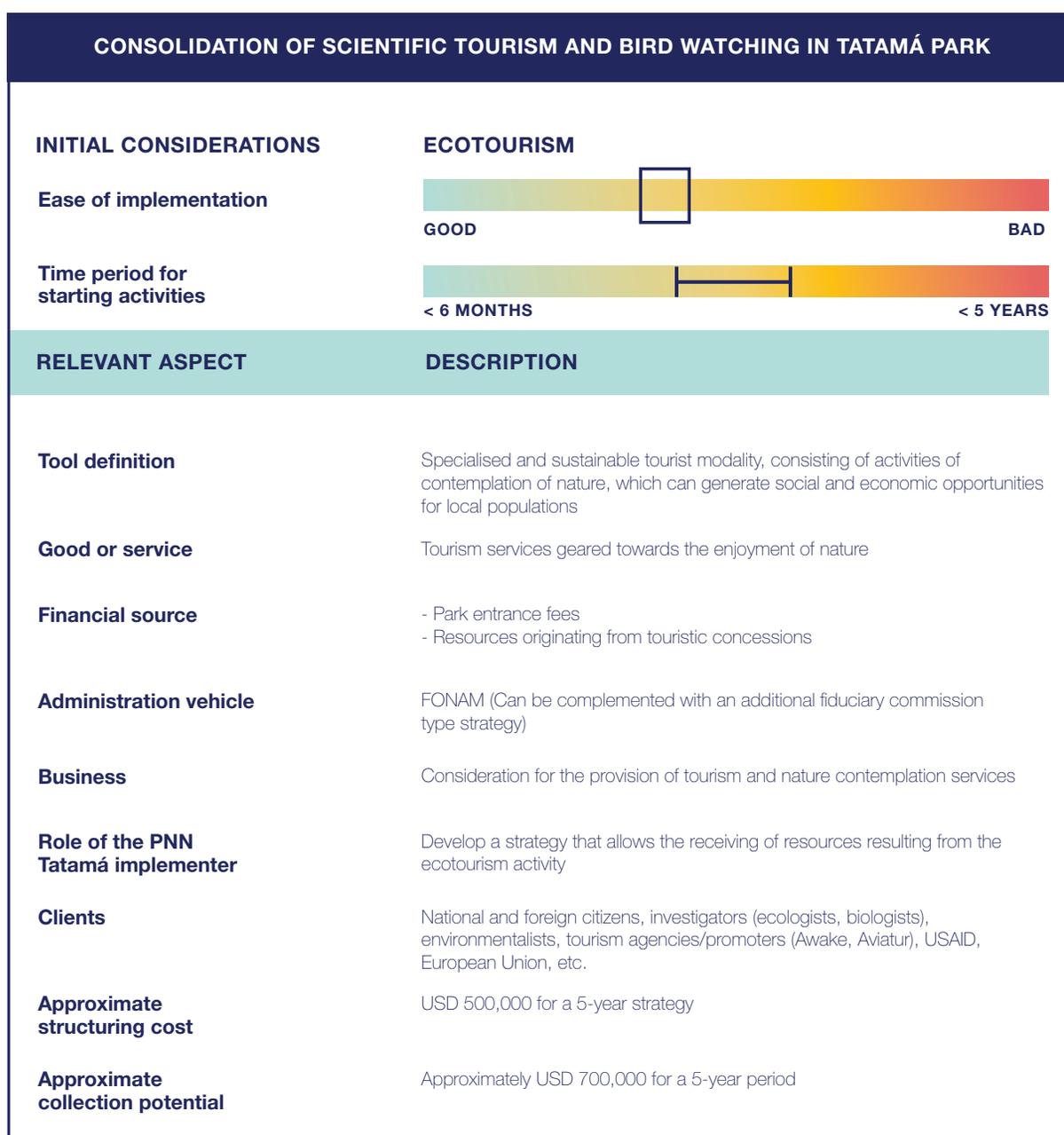
A preliminary feasibility study can assess:

- Whether the legal, technical, administrative and institutional conditions are in place to enable the project's implementation;
- Potential to generate income to contribute to closing the identified financial gap;
- Direct or indirect impacts on conservation values;
- Whether social and political contexts limit or favor the project's implementation; and
- Needs, strengths and challenges that will guide the implementation of a project.

Following the preliminary study, a detailed and in-depth feasibility study can focus on a few pre-prioritised ideas or projects. It should include a brief description of the site's assets and economic potential, the product or service that will be marketed, the stakeholders involved, and the business operation scheme. It should include a market analysis and describe the technical, institutional, legal and financial resources needed for implementation ([Figure 8](#)). If considering more than one business idea, it is important to conclude with an analysis that can facilitate the selection of the best and most suitable ideas considering current needs and context (see [Box 5](#) and [Box 8](#)).

This analysis should consider the following aspects:

- Financial resources necessary to design and begin implementation of the project/idea (availability, financial capacity);
- Potential amount of revenue generated and its capacity to close the financial gap;
- Time needed until the area can start receiving funds (quick wins vs. long-term returns);
- Legal constraints;
- Market viability;
- Difficulty of implementation and potential challenges;
- Investment risks; and
- General challenges and possible solutions.



**Figure 6: Example of the conclusions of a feasibility study in Tatamá National Park**

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## IDEA BUSINESS CASE

The feasibility study can inform development of a business case for one or more prioritised ideas. The business case is the narrative about the importance and suitability of the particular business venture, its benefits to nature conservation and the financial or reputational gains for the investor. The better the narrative, the higher the chances for ensuring financing.

A business case is intended to provide justification for pursuing a proposed idea. Ultimately, the business case will be used to inform investors and convince them to invest in a given proposal. It is also useful to inform partners and other actors and stakeholders involved in the development of a conservation finance project.

The business case should be a relatively concise document that includes the following components:

# 1

**Executive summary** – concise description of what the project is about. It serves as an introduction to the project.

# 2

**Finance** – information on how, where, and how much money can be generated by investing in this project. It can include the following sub-sections:

## a

**Financial Appraisal** – a benefit/cost analysis, including some predictions of cash flow needs (where will the money go, how much will be needed), and estimates of the value gained from investments.

## b

**Sensitivity Analysis** – an assessment of the risks of the project, often including multiple scenarios for achieving the mission and objectives of the project.

# 3

**Project summary** – an articulation of the project purpose, structure, operations, and management, and implementation strategy. This section serves the project team, but may also be read by prospective funders. It can include the following sub-sections:

## a

**Objective and purpose** – What is the overriding goal and mission of the project? Why does the project need to happen, what will be the result if it doesn't happen, why must it happen now, and why is the proposed approach the best way to achieve it?

## b

**Alternatives** – What are other approaches to achieving the mission of this project? How does the proposed project compare to other possible approaches?

## c

**Project scope, impacts, and relationships** – What specifically will the project do? what will it fund? what results will it achieve, and where? Where will it not work, what will it not do? Who are the essential partners and how will the relationships be cultivated and strengthened?

# d

**SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis** - What are the project's strengths, limitations, opportunities, and threats? What are the principal risks and how will they be managed?

# e

**Market Assessment** – Who are the expected users and beneficiaries, and why will they be drawn to this? How many will be reached, and how? Who is the competition, and how will this project compete?

# f

**Project approach** – How will the project be delivered and by whom? What methodology will be used, and who will be responsible for delivering what?

# g

**Project schedule** – What are the implementation phases of the project, and what tangible deliverables will result during each phase?

# 4

**Project Organisation and Governance** – a description of the management and decision-making structure that will be used, including how conflicts will be managed. How will success be monitored, evaluated and reported? What will be measured, by whom, and with what frequency, and how will results be documented and made available?

Box 8

### **Case Study: Guatemala** **Ensuring inclusivity and expertise in assessing feasibility**

Sierra del Lacandón National Park, Sierra de las Minas Biosphere Reserve and Bocas del Polochic Wildlife Refuge are internationally recognised protected areas, hosting hundreds of species of mammals, birds, reptiles and fish, including manatees, howler monkeys and quetzal. Sierra del Lacandón protects archeological sites with the remains of pre-Columbian Maya civilisation, including the ruined city of Piedras Negras.

INC worked with these sites to conduct a feasibility study of potential business ideas in two phases. The first phase was a preliminary analysis for which the INC team designed and applied a specific methodology and a set of criteria that helped assess each business idea efficiently, during a workshop where strategic and key stakeholders of each partner site analysed compliance to ten specific criteria based on their knowledge and expertise. This resulted in three prioritised business projects for each partner site.

During the second phase, a thorough, in-depth assessment of the practicality of each business idea was carried out and delivered to the protected area managers, local partners and strategic stakeholders, including relevant governmental agencies. Because the required information was not always available or accessible, fostering close relationships with local partners and protected area managers was essential for completing this phase.

Ultimately, INC will continue to support the development and implementation of an ecotourism strategy for Sierra de las Minas Biosphere Reserve, and Wildlife Refuge Bocas del Polochic; and a commercialisation strategy for carbon bonds in Sierra del Lacandón National Park, based on the results of the feasibility study.



© Sierra de Las Minas Management Authority

## Step 6: Define an operational framework

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A clear project structure and sound contractual framework, as the basis in which contracts are developed, constitute a basic precondition to investment. The project structure consists of:

- The actors involved in implementing the project or initiative, as well as the roles and responsibilities allocated to each;
- The financial flows and other resource transfers, including investments, revenue, and in-kind contributions;
- Decision-making processes and standards, including measures to ensure transparency and accountability;
- The legal entities and relationships relevant for the project, defined through incorporation, registration, contract, and other legal instruments which exist or may need to be created;
- A monitoring and feedback mechanism to ensure adaptation as appropriate for the best possible delivery; and
- Temporal schedule of activities on a monthly basis.

The most appropriate governance structure will depend on the national legal and governance framework (see [Step 2](#)), the intended financial structure (see [Step 9](#)), and the legal status of the parties involved.

Defining an operational structure requires specialised expertise. If a private entity is setting up a business enterprise to generate income for conservation, a corporate lawyer should be consulted on questions such as legal personality, incorporation formalities, capital requirements, directors' duties of care, shareholding, distributions and taxation. In the case of a national park run by a government authority, governance questions often extend to the possibility of cooperating with private enterprises and NGOs to circumvent bureaucratic requirements and budgetary limitations.

In many countries, revenue generated from entry fees and other activities within a public protected area does not go directly into the budget for managing that area, but is centralised as part of a national budget, and protected area managers are restricted in their ability to handle cash. Cooperation with third parties can provide ways to accommodate these restrictions, but they need to be carefully designed. For example, in *Cavernas do Peruaçu*, in Brazil, the existing public-private partnership based on a cooperation agreement between a private charity and a government entity cannot operate efficiently because the government organisation running the park is not legally allowed to handle cash, while its private counterpart does not have the sovereignty to charge entry fees or grant concessions. Such deadlocks are common, and can be solved through more detailed arrangements (see [Box 9](#)).

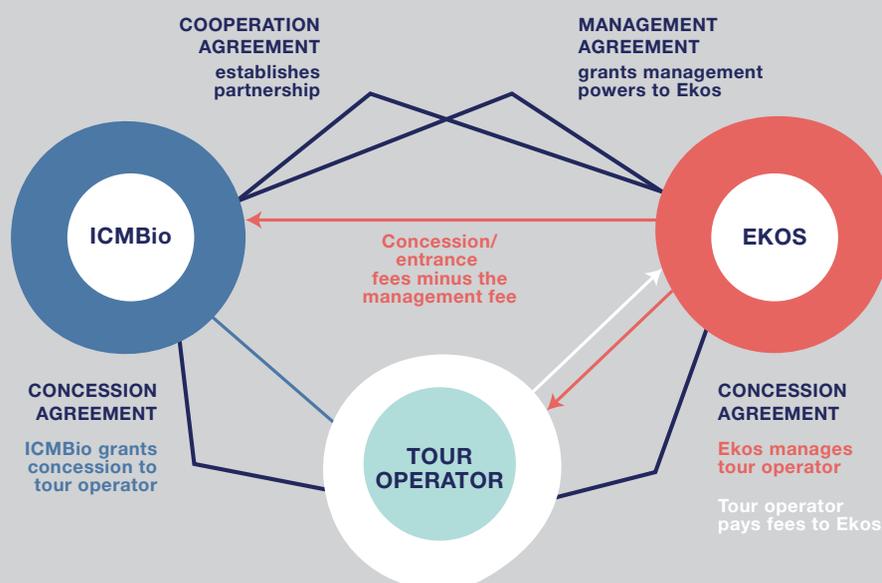
### Case Study: Cavernas Do Peruaçu Structural workaround for legislative limitations

Central Brazil's Cavernas Do Peruaçu National Park protects one of the most impressive speleological sites in the region, where karstic caves of astonishing size contain painted scenes dating back 10,000 years. The INC has been working with ICMBio, a governmental organisation, in cooperation with EKOS, a private charity, to help move away from the park's current dependence on government funding by capturing tourism revenue. The law discourages such initiatives by providing that any money generated by ICMBio must flow straight to central government. Additionally, ICMBio employees are not allowed to handle cash. The team tried to build a framework for implementing the public-private partnership between EKOS and ICMBio as effectively as possible by channeling money generated by the park back to the park.

The park itself does not currently generate any income – concessions or entrance fees are not being charged. The basic maintenance costs of the park (fuel, office costs, council meetings, building, trail and road maintenance, employment of local ICMBio staff) are covered by the State. The budget is quite restricted and does not provide for spare cash in case of unforeseen events, and varies on a yearly basis.

As a state organisation, ICMBio is entitled to give out concessions to local tourism operators and to charge fees for the entrance to and the performance of activities in the park. However, ICMBio's employees are tied to strict governmental regulations and are not allowed to derive profits from the park or to handle cash generated by, for instance, tourism. EKOS on the other hand, being a private sector organisation, does not have the sovereignty required to hand out concessions or charge fees but it possesses the management capabilities and unbureaucratic flexibility to manage tourist activities and to direct cash flows to where they are needed the most. Therefore, as a team, ICMBio and EKOS can overcome many obstacles to efficient park management.

The INC team developed a model whereby ICMBio and EKOS sign a management agreement that gives EKOS the authority to identify and manage tourist operations, such as: restaurant managers, local guides, tour operators and the charging of entrance fees. Each operator will enter into a tripartite concession agreement with EKOS and ICMBio. EKOS, as manager, will charge a management fee, which will constitute a large percentage of the income gained as a result of the concessions managed by it. Such income must flow to a separate account and be spent on projects benefiting the park, as set out in the cooperation agreement between ICMBio and EKOS. The rest (a smaller amount) will flow to ICMBio as the concessionaire and therewith to central government.





## Step 7: Create a communication strategy

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Operating a protected or conserved area sustainably - particularly where government funds and donations are uncertain - requires managing the site like a business, albeit one that is sensitive to social and environmental considerations. Communicating the vision, mission, purpose and business model of the site and the project is essential to inspire and maintain employee and institutional commitment and passion, stakeholder endorsement, and enthusiasm and financial support from funders and investors.

### PURPOSES OF COMMUNICATION

Communication serves a number of important purposes within a site and within a project. The nature and purpose of the communication determines the most appropriate methods and strategies for getting information across, building awareness, and keeping others engaged.

Internal communication and stakeholder engagement are important to focus, energise and empower employees, members of staff, volunteers and partners to help communicate key themes and messages. Understanding and support of the internal team is necessary before communication with an external audience. Stakeholder engagement is necessary to enable transparency and participation, promote inclusion and avoid potential conflict. All actors involved in or affected by the conservation area should be kept informed as financing projects develop. Stakeholder relationships are often most appropriately managed through consultations and formal and informal meetings.

Marketing specific products such as fruit or carbon bonds can be part of a business model for creating new revenue streams for the site. A market analysis should be part of the business plan, and can also be used in initial stages to assess the feasibility of a venture. Where there is already demand for a product, marketing is a matter of creating a presence, attracting consumers, and, where necessary, demonstrating an edge over the competition. Telling a compelling story of the site and its conservation activities can provide key advantages in marketing a product. For example, the cocoa post-harvest facility managed by the *Centro de Conservación, Investigación y Manejo de Áreas Naturales* (CIMA) in Cordillera Azul's buffer zone, is committed to delivering a "product of quality, free of deforestation". The impact could be reinforced by the use of local and international product-related standards, such as UTZ, FSC, and/or VCS/CCB for carbon bonds. Communicating these benefits and growing a sustainable brand is essential to effectively competing in this market.

In some cases, it may be necessary to build a market where one does not exist or where it is emerging. For example, in Brazil, jackfruit is not traditionally sought after for food, but demand is rising as vegan and vegetarian food is becoming more popular. Sinal do Vale is partnering with vegan and vegetarian restaurants to market jackfruit as a meat alternative, and their own branded product as a particularly sustainable and socially responsible option.

Promoting a site as a tourist destination can be part of a strategy to increase income from entry fees and sales. Tourism can also have positive effects on the local economy, such as channeling money towards local guides, guest houses, restaurants, and artists.

Conservation practitioners can increase the flow of tourism by taking some of the following measures:

# 1

Invite national and international tour operators to visit. A wide range of mainstream and specialist tour operators may find the area attractive, depending on the services and opportunities available (for instance, those specialising in hiking, adventure travel, kayaking, etc.).

# 2

Invite event managers and wedding planners to stage events, such as opera performances or high-profile weddings. Such events can significantly raise the profile of the area and make it widely known. Note that this would merely entail raising awareness among event managers and providing the necessary permits and concessions. The site managers would not necessarily need to organise or finance such events, which is the job of a professional event manager.

# 3

Invite travel writers, newspapers, magazines, and other authors to write about the area. Journalists and writers should have an opportunity to visit for free, with the best tour guides available to show them around. Be certain to invite major travel guides to get to know the area.

# 4

Ensure that the protected or conserved area is listed as an experience on major travel websites and that accommodation options in the vicinity of the area are placed on major booking portals.

A tourism marketing specialist can support these and other activities. The specialist should be a marketing expert rather than a sustainability specialist, and should possess excellent connections in the tourism industry.

Communicating with investors requires going beyond the business case for a particular initiative to tell a compelling story of why the protected or conserved area exists, and why it must endure and thrive in the future, as well as the business case for investment. It can be particularly useful to have an “elevator pitch” prepared for random or formal meetings with potential funders, investors, or partners. An elevator pitch is a concise prepared statement that captures all the critical elements of your project or proposal. The name elevator pitch is based on the idea of presenting a project proposal to someone during a random meeting in an elevator. This means it must be short (a couple of minutes long), concise and compelling. The elevator pitch should allow the audience to fully understand exactly what the speaker wants to accomplish, why this proposal is the ideal one to solve a pressing need, and why the speaker’s team is the best team to respond to this need. It is important to be engaging and friendly, and practise the pitch, so that it is clean, concise, and well-paced. The goal of the elevator pitch is to capture the interest of the audience and earn a second conversation, not to convince someone to immediately invest. The pitch can be used at networking events, conferences, and other opportunities to share a vision or idea with an audience that can add value to the effort. The pitch should be goal oriented, and should conclude with contact information and a request to reconnect at a later time to provide more elaborate details.

## VEHICLES FOR COMMUNICATION

Different communication mechanisms can be appropriate for different purposes and audiences. The reach and impact of a message will increase if the same message is distributed several times and via multiple methods. A few communication options include:

- Meetings, open houses, focus groups;
- Celebrations/special events, theater and other public events;
- Electronic media, including email, listservers, websites, or similar platforms;
- Video, film or other moving image media;
- Display ads, news releases, press conference;
- Public hearings and presentations;
- Social media tools (YouTube, Facebook, Twitter, etc.);
- Workshops and training events;
- Fact sheets, brochures, and publications; and
- Targeted invitations to journalists, “influencers”, and personalities with a large online following.

The internet presents unprecedented opportunities for reaching a broad audience at comparatively low cost and conservation practitioners should not shy away from tapping into new trends. The internet can be used to market and sell products, such as fruit, souvenirs, and indigenous crafts, and to promote a site for tourism. At the most basic level, it is possible to set up a professional looking website, Instagram, and Facebook accounts at relatively low cost, and without needing a specialised IT expert. These must be updated on a regular basis. For these purposes, working through large third-party portals such as eBay, Etsy, Tripadvisor, and booking.com can be more effective than setting up a new website.

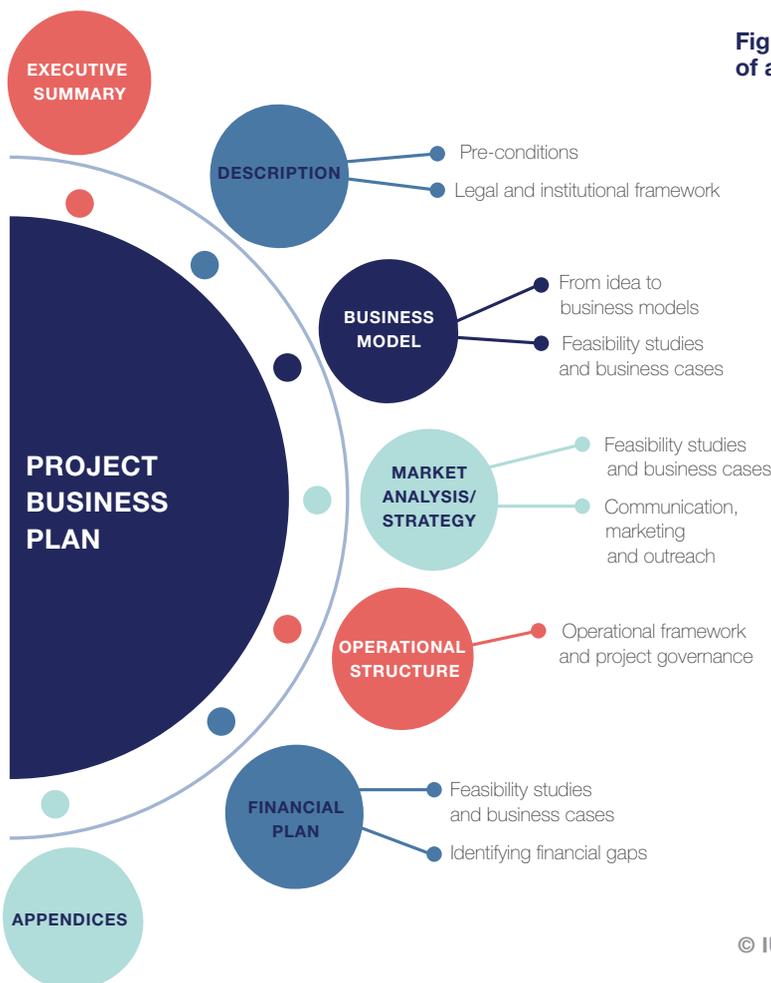
# Step 8: Write a business plan

A business plan is a written description of the future of a project or programme. It describes objectives, activities, funds, and resources. All business plans are inherently strategic—they begin by describing the resources and capacities that exist now, then identify one or more goals in the future (usually 3-5 years), and describe all of the resources and capacity that will have been secured at that time, as well as increased financial assets. The business plan describes in words and shows in graphs and images the path from today to that future point.

## PURPOSES AND USE

A business plan serves as a road map for conservation practitioners to develop a project or programme they wish to seek funding for. It is a necessary instrument for unlocking private investment in conservation and the basis for business case studies to be presented to investors. A good business plan will give an investor confidence that the project team knows exactly where they are going, how they will get there, and everything they need to accomplish their objectives.

A business plan can also be developed for a protected or conserved area as a whole. Every site can benefit from creating a clear, concise, and easy to follow business plan. The plan serves as a tool to understand financial gaps in implementing management objectives. It can be used to monitor progress, show accountability, and control the direction and success of a management plan. It can also help attract funding from public and philanthropic sources.



**Figure 7: The different components of a business plan and their content**

## CONTENTS

A conservation business plan should include the following components:

### 1

**Executive summary** — a concise snapshot of the business. This is the most important topic in the business plan, since it is the section that most people will read first (or at all). The summary should be short, clear and in an objective voice. Specific sections can be highlighted in different colors or fonts depending on the audience (e.g. donors, government management authorities, strategic partners). It should describe key facts and summarise financial highlights and priorities. The summary should also state the mission and vision of the business in an appealing way for targeted investors.

### 2

**Site description/context** — an overview of the physical and management characteristics and context. This should be a brief but comprehensive overview of the protected or conserved area, its resources, infrastructure, mission and history, including maps as appropriate. It should identify all facilities relevant for providing products and services. This section should also include a description of the enabling legislation, management structure and institutional authority overseeing the area, and show how these factors will influence the use and reinvestment of revenues and the agility and flexibility of the decision-making processes (see [Step 2](#)).

### 3

**Business model/product/opportunity** — a description of products or services and opportunities for developing them to generate revenue (see [Step 4](#)). This section can draw on the feasibility study and the business case to present a strong and compelling idea, bearing in mind that details of marketing, operational structure and financial aspects can be addressed later. Here the goal is to introduce and start to sell the business concept. Where the objective is to attract an impact investor interested in more than just a financial return, this section can include a theory of change illustrating the expected social/environmental impact. Theory of change is a specific methodology followed to meet social-based goals. The main idea is parting from the definition of goals to track and identify necessary preconditions.

### 4

**Market analysis/strategy** — an analysis of the factors that affect sales, fees, or other revenue generating measures.

The marketing strategy should be compatible with the overall mission and objectives of the protected or conserved area. It should include:

- An analysis of market trends and competitors, describing the direction the market is moving, and factors that could influence market success;
- An analysis of target audience, consumers, visitors or other customers or clients, including historical trends and predicted changes over time; and
- Marketing, promotion, branding and pricing strategies to attract customers and influence behaviour to increase the customer base.

This section can include the communication/marketing strategy (see [Step 7](#)) as well as market aspects identified in the feasibility study (see [Step 5](#)). A separate market analysis will often be necessary to develop a strong business plan.

### 5

**Organisation and management** — a description of the management and decision-making structure, including the organisational structure, management team, personnel plan and decision-making structure for the project. This is particularly important in clarifying responsibilities and providing the right incentives for success. It should summarise the operational framework and governance structure (see [Step 6](#)). It can also include descriptions of alliances with local government, community and non-profit organisations as well as involvement of other stakeholders.

### 6

**Financial plan** — an estimate of costs and revenue each year for the next 3-5 years. A project financial plan is distinct from a site financial plan (see [Step 1](#)). Where a site financial plan should summarise the financial history, needs and income of the protected or conserved area as a whole, the project financial plan should consider the financial resources related to the specific business model. It should cover:

- Current and projected costs and expenses including general expenses, costs of inputs for the business (production cost of jackfruit, cost of materials for souvenirs), costs of infrastructure and equipment (buildings, vehicles), running costs (maintaining trails, operating hotels), personnel, marketing expenses and taxes.
- Current and projected revenue from sale of goods or services, investment income (returns to investments), or other sources.
- Initial investment required and “break-even” point at which the business will have covered the initial investment and start generating a profit.

## 7

**Appendices** — any other information. This can include descriptions of the team, maps or other resources, but only to the degree necessary to increase confidence in the business plan.



© Sinal do Vale

### Box 10 **Case Study: Sinal do Vale, Brazil** **Developing a business plan for processing jackfruit**

Sinal do Vale, a non-profit organisation, protects 173 ha of land, located between Rio de Janeiro and one of the last protected areas of the endangered Atlantic Rainforest. INC helped Sinal set up a social enterprise called Frutos da Floresta that commercialises a line of organic products processed from fruits - such as green jackfruit - grown locally in agroforests or sustainably extracted directly from the Atlantic Rainforest. Green jackfruit grows abundantly in the forests and constitutes a versatile and nutritious food source that is particularly popular as a meat alternative in vegetarian cuisine.

Most landowners in the peri-urban areas of the Atlantic Rainforest are unaware of the economic opportunities and benefits of the forest and generally consider forested land as less valuable than degraded land. The goal is to give an economic value to the conservation and regeneration of the local tropical forest. By installing a food processing plant, creating a line of food products and building up a value chain, the business guarantees access to the market and revenue for landowners.

The project was set up sticking closely to a business and financial plan created by Bemtevi, a business consultant with experience in the sustainability sector. INC contracted Bemtevi to conduct an in-depth analysis of the local, national and export markets for jackfruit-derived products. The business plan included a review of all relevant stakeholders, in particular the potential producers and consumers of jackfruit. A SWOT analysis and an economic feasibility analysis detailed possible production processes, sourcing and distribution logistics and personnel considerations. The related financial plan suggested potential sources of financing. Additionally, legal considerations such as licensing, IP rights and company law requirements were set out.

## PROCESS

Creating a business plan can force conservation practitioners to review everything about a protected or conserved area: the value proposition, marketing assumptions, operations plan, institutional relationships, finances, and staffing. The business planning process provides an opportunity to identify risks, challenges, and opportunities that could easily be missed in the day-to-day operations.

The business plan should be as concise and specific as possible. It can be helpful to remember the following guidelines:

**Preparation** — it can take much more time to conduct research to prepare the plan than to do the actual writing. Including thorough and accurate descriptions is essential to ensure financial success. This is important to consider, as well as the costs implied in the undertaking of the process.

**Understanding purpose and niche** — the mission, vision, and purpose statements from the management plan should tell a clear and compelling story of the protected or conserved area, and help investors understand why conservation of the area is important.

**Incorporating the communications and marketing strategies** — the communications, marketing, and outreach strategies should be incorporated in the business plan. The ideas behind these strategies may also inform other sections of the plan.

**Adaptability to specific audiences** — a variety of readers may access the business plan, and they may each require different information from it. Sections of the plan may need to be modified depending on audiences reading it.

**Demonstrating passion** — a business plan should clearly show why the proposed activity, and the protected or conserved area as a whole, matters to the stakeholders as well as to the reader.



© Sinal do Vale

## Step 9: Access financial resources

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Accessing financial resources to an initiative is one of the most important steps in conservation finance processes. In some cases, a substantial upfront investment may be required to prepare and implement the business plan. This is particularly true in situations where a significant amount of time, resources or infrastructure will be required before revenue can start to flow in, such as projects involving certification of carbon bonds. In other cases, more easily obtained seed capital can be used to start operating on a smaller scale to create a demonstration of the viability of the idea that can then attract larger funds.

Before going into the details of possible financing instruments, it is important to understand the types of instruments that exist and what are their conditions to be accessed. Throughout the document it has been mentioned that private investment often requires returns on investment. The need for returns on investment depends on the type of financing instrument and the source it comes from.

### INVESTMENT AND TYPES OF FINANCING INSTRUMENTS

Investment is defined as the acquisition of an asset with the expectation that in the future this asset will generate a certain profit. The profit might be seen as a financial profit, meaning a monetary gain, or in case of not-for profit financial instruments, it could be a social or environmental gain.

There are different ways investments take place. The ways depend also partially on the sources of investment, that is, on the investors. There are two types of sources: private and public. Private investors are individuals or groups that decide upon resource allocation in an independent way. Public investors are government and government-based organisations that allocate their resources based on national, regional, and municipal budgets. Private and public investors might generate partnerships through different schemes in order to provide specific financial instruments for investment, in what is called blended finance.

Both private and public investors can offer for profit and not-for profit financial instruments. It is however more common for private investors to search for monetary profit, while public ones focus more on social and environmental non-monetary returns to investment. Financial instruments are broadly classified into equity and debt instruments. A separate category are grants.

**Equity financing** means that the investor buys a share or proportion of a company or venture. It can provide immediate cash to develop infrastructure or a product within or near the area and the investor or shareholder then has a right to claim on future earnings. This kind of financing best fits business plans that include a revenue generating activity (e.g. ecotourism) or product (e.g. sustainable fish) that is developed or managed by local enterprises or a third entity, for example an NGO, a public-private-partnership or a holding company (see [Box 7](#)). Through equity instruments, the investor takes on part of the risk of the venture. If no revenues are generated, investors receive no returns to their investments. Thus, in some cases, depending on the amount and type of shares sold to investors, they might have the possibility to take a decision-making position in the business itself.

**Debt financing** means that the investor grants a loan, or buys fixed income products, such as bonds, bills, or notes. Fixed income means that through a certain amount of time, the investor will receive a fixed revenue for the bonds, bills and notes bought. The revenue is an interest rate that is placed prior to the buying of the product. These instruments to support conservation are increasingly being developed, including, for example, green bonds. Green bonds are made to finance projects which benefit the environment, which may have a lower interest rate and include an obligation to report on the use of the funds (see indicators of effectiveness). With debt financing, the conservation management, local company or venture receives immediate cash to prepare and implement the business plan, against the obligation to pay the debt back, including interest after a certain period. This type of debt instrument is mostly given out by governments at all levels and big corporations. Other debt instruments include loans and credits which can be accessed through commercial and development banks and other financial institutions. The difference between a loan and a credit is mainly that a loan is paid in one disbursement and must be repaid after a fixed period. Loans often include interest rates that represent the cost of the debt. These rates are variable depending on the type of loan. For example, soft loans are offered

by institutions such as development banks at very low interest rates and longer repayment periods. Other types of loans are concessional loans, where one part of the loan is given as a grant to which no interest rate is applied (at least 25% of the loan must be a grant). On the other side, credit is an open amount which can be spent through time and cancelled in a more flexible period. Credits also generate interests that should be paid to financial institutions.

It is important that, when required, the terms of repayment of debt instruments are suitable to the underlying activities. For example, if the first revenue comes three years after the start of the activities, it is better to have a 3-year grace period before starting the repayment period, in order to match the revenue generation with the loan installment repayment. It is very important that the loan suits your financial plan.

**Grants** are funds given to a third party which should not be repaid. Grants come from governments, development banks and private philanthropic institutions in the form of donations. They are often attached to a certain social, economic, or environmental objective such as adaptation and mitigation measures to climate change. This has been the most used type of funds for conservation around the world. However, nowadays grants are increasingly being used in mixed financing mechanisms (grouping of financing instruments) to support the participation of private for-profit investment.

## ENVIRONMENTAL FUNDS

Environmental funds (EFs), sometimes referred to as “conservation trust funds” (CTFs), are financial structures created to raise, invest, and re-grant financial resources for the sustainable management of nature. This can include the protection of terrestrial, coastal, and marine ecosystems, and sustainable agriculture, fishery and forestry, sustainable water management, and the use of best practices in land and marine management. Some secondary functions of EFs may include building the capacity of local NGO and civil society conservation organisations, and improving coordination between donor programs and national or regional conservation plans and strategies.

EFs (and CTFs) began to flourish in use in the early 1990's. The [Bhutan Trust Fund for Environmental Conservation](#), a government managed facility, was one of the early funds established in 1992, followed soon after by the Mexico Fund for the Conservation of Nature (see [Box 11](#)), a private non-profit organisation implemented in 1994. Both funds continue to successfully operate today, and have been joined by more than 80 others now operating worldwide. The Global Environment Facility (GEF) was one of the organisations that took an early interest in providing capital for EFs and is still active in providing funding to establish and support Funds around the world. Those early experiences led the GEF to identify essential factors for effective EF start-up, including:

- A long-term financial commitment of at least 10-15 years;
- Active government support, although virtually all funds operate as independent organisations outside direct government control;
- Decision-making and advisory boards that include people from diverse sectors of society working together to achieve very specific biodiversity conservation and sustainable development objectives; and
- A clearly defined set of legal, governance, operational, and financial procedures to ensure that funds are carefully managed, invested, disbursed, and monitored. Including the input of supporting institutions (e.g. banking, auditing, and contracting).

EFs are usually created as a public-private partnership, representing the coming together of government and non-government interests to conserve nature and facilitate related sustainable development issues. Governments are generally important partners in the planning and development of EFs. However, the operation of the fund and its governing boards typically draw the majority of its members from civil society and the private sector, and most are managed by an organisation that is fully independent from government. Most beneficiaries of EFs are non-governmental or community based-organisations, although in some instances government agencies may take on the tasks of implementing the work needed to achieve conservation goals.

Many EFs are established in the countries in which they operate. However, some are based outside of the participating countries in order to maximise taxation benefits or to minimise risks to the security of funds in circumstances of political instability.

The operational structure of most EFs varies, and can include one or a hybrid of the following:

**Endowment Fund** — a large capital fund (often seeded or provided in full by a donor or via a grant or debt swap) invested in perpetuity with a goal of preserving or even increasing the capital, while using only the income earned on investments (the “interest”) to finance grants and activities.

**Sinking Fund** — capital granted with a stipulation that the money must be spent over a specific time frame. The entire principal and investment income is disbursed over a fairly long period (typically 10-20 years) until it is completely spent and thus sinks to zero.

**Revolving Fund** — funds from taxes, fees, fines, PES, or other intermittent or recurrent income sources deposited into the EF account as received, and paid out solely on the basis of the amount of available funding on hand. Periodic decision-making determines the amount and recipients of payments from the fund.

Most EFs do not operate as one type of fund or another, but incorporate two or all three of the above-mentioned fund types as a way to diversify their sources of funding, meet disbursement needs, and take advantage of emerging opportunities.

Funds also can be characterised according to their mission. Some examples include:

**Species Fund** — primarily finances activities related to biodiversity conservation.

**Water Fund** — typically finances activities such as water pollution control and waste treatment, and may also include biodiversity conservation, protected area management and other environmental needs, often reimbursed through fees and levies paid by water users.

**Parks Fund** — dedicated to the management costs of specific protected areas, or of a country’s entire protected area system, and can also include financing for alternative livelihoods or sustainable development activities in buffer zone communities.

Environmental funds have four essential components:

# 1

Legal and governance structures that establish the legal capacity of the fund to operate in a specific country or set of countries, the objectives and procedures of the fund, including capital asset investment procedures, and the constitution or bylaws that specify what the fund can and cannot do.

# 2

An operational structure, usually led by an appointed board of trustees or directors that decides how the funds are to be used and managed. The members of this board should represent the different interest groups with a clear stake in the outcome of the use of the funds, such as local communities, NGOs, government institutions, the private sector, academia, and donor agencies.

# 3

A management structure, which is responsible for the day-to-day management and administration of the fund and implementation of grant-making or financial distribution programmes. The management structure generally reflects the design of the operational structure.

# 4

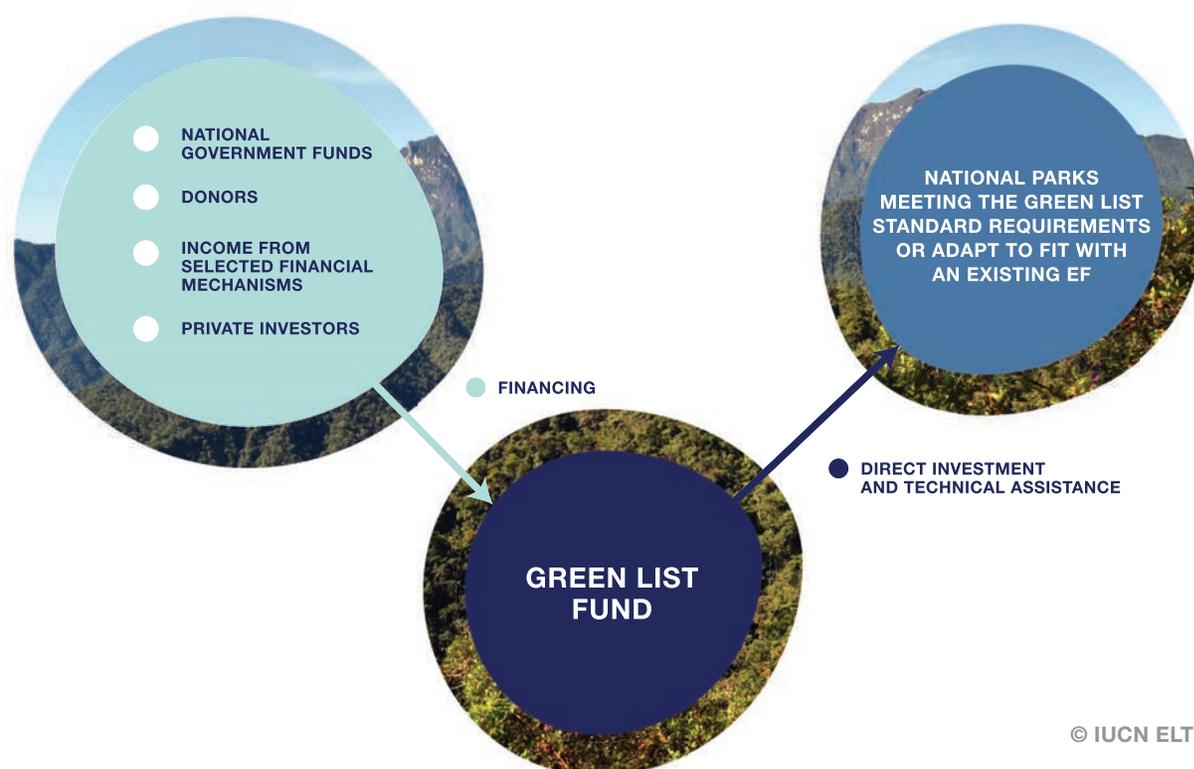
Capital assets and financial structure, including the administration and disbursement of funds, and oversight of the principal and interest gained from investments made to sustain or grow the fund. Financial management is often contracted to institutions with expertise in managing large capital resources.

The types of programs that an EF finances and how it distributes its funds can also vary enormously depending on the purpose and mission established when the EF is created. Many of the EFs in existence operate as a Grants Fund where resources are channeled to target groups (often NGOs and Community Based Organisations (CBOs)) based on submitted proposals in order to cover the planning, development, and operational costs for a broad range of conservation and sustainable development projects. Some EFs also manage a loan or investment fund to provide finances to NGOs, CBOs, or private sector groups that will ultimately repay the disbursement, and require some or full repayment, including some level of interest payments. However, EFs are more than just financial mechanisms. They can also serve as:

- A valuable forum where diverse stakeholders – such as national and local government agencies, NGOs, the private sector, and international donors – come together on a regular basis to discuss, and sometimes resolve important conservation issues;
- Key agents in the development of national conservation strategies and policies;
- A source of technical experts who can work with public and private agencies to develop agile and effective management approaches; and
- Capacity builders and nurturers of emerging NGOs that are becoming involved in biodiversity conservation.

EFs can be very attractive for international donors, funders, and investors, specifically due to their ability to reliably manage and allocate donor funds over a long period of time. EFs are typically formed through broad consultative processes, and are governed by a mixed public/private board of directors composed of representatives of different stakeholder groups. EFs are designed to have credible and transparent operational procedures, accountability, and sound financial management practices. EFs therefore may be able to attract new donor funding in cases where donors might otherwise be concerned about giving their money to a government agency. Furthermore, the assets of an EF are almost always managed and invested by outside financial institutions, either inside or outside of the country – so as to provide income for the specific duration and specific purposes of that particular EF.

As an example, the creation of a Green List Fund at a national level could support the maintenance of high management standards. It could have a governance scheme adapted to the specific situation in the country (Figure 8).



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Figure 8: The Green List Fund mechanism

Box 11

## **Case Study: Fondo Mexicano para la Conservación de la Naturaleza (FMCN)**

FMCN was established in 1994 as a non-profit civil association, following a three-year participatory consulting process funded by US government agencies and a number of philanthropic organisations. It is one of the largest Conservation Trust Funds (CTF) in the world, both in terms of revenues available and number of projects supported.

Seed capital was provided by the US and Mexican governments and a group of US private philanthropic donors, and FMCN now manages an endowment of US\$150 million, which is complemented by a stream of earmarked sinking funds raised from diverse sources at a rate of US\$3-4 million per year.

In 1996 FMCN was appointed manager of a separate endowment of US\$16.48 million from GEF, the Fund for Natural Protected Areas (FANP). This is not a legal entity, but a fund which is segregated from FMCN's other programmes and established to originally support 10 national protected areas. It later received further capital from GEF to include 12 additional protected areas in the programme, contingent upon one-to-one matching funds.

FANP surpassed the required match, and today supports the management of 50 of Mexico's 182 protected areas with an endowment of US\$106 million with the contributions of 23 donors. By covering basic operational costs of the protected areas and capacity building, FANP has helped attract additional funds from both public and private sources. Furthermore, FANP has been able to customise disbursements to protected area needs, making them available at the time of the year when government resources are not.

FANP provides some key lessons for setting up an environmental fund. First, it is an example of how diversified revenue sources can be a source of strength – with FANP and government funding complementing each other's deficiencies. Second, its role in encouraging stakeholder participation, particularly that of communities around the protected areas, shows how a CTF can strengthen civil society engagement in conservation.

## **INVESTMENT AND RISK**

Alternatively, funding may be accessed by means of investment. Unlike donations, investments have the expectation of a return. Investors can channel funds to protected and conserved areas through equity financing or debt financing. The type of instrument needs to be adapted to the financing requirements, the nature of the underlying business, and risk appetite of the conservation project promoter and investor.

If the project is generating or can generate a steady flow of cash or a product or service that is easily monetisable, a project financing structure with a loan can be suitable. Such a structure will allow partnership with an investor without their entering into the capital or governance of the project or conservation institution. Nevertheless, often loans are secured by certain guarantees and can carry high risks of foreclosure in case of repayment default. Therefore, it is important to balance the risks and rewards of a loan in terms of amount to be borrowed, activities to be financed and guarantees. Loans should always be used to finance production activities which can generate assets to repay the debt. Carbon-asset backed loans seem very adapted to conservation finance.

If the business is high risk and the assets and cashflows to be generated are more uncertain, it may be better to have a capital equity investor putting their own capital in the venture, at their own risk. For new ventures which normally carry a much higher risk, an equity type of investor may be more suitable and be easier to get into business with. The downside is that the proponent will need to sell part of the company and may be diluted to a minority shareholder position. The upside is that proponents will have the resources needed to undertake the conservation venture!

## Box 12 Case Study: Yunus Social Business

Yunus Social Business is a non-profit organisation providing flexible loans to early-stage social entrepreneurs in emerging economies. With investments ranging from USD 100,000 to 300,000, the organisation bridges the gap between microfinance and traditional financing instruments. It focuses on business ideas that are financially viable at the same time as solving social and environmental problems. Financing is provided at affordable rates but subject to hands-on supervision. The fact that the organisation is funded by way of philanthropic donations allows for a higher tolerance for risk and flexibility in repayment than would be possible for banks or larger funds. The debt is long term and repayments can be rescheduled under certain circumstances. Collateral requirements are less stringent. Active business support is provided by local teams before and during the term of the loan, including on topics such as financial planning, fundraising, human resources, governance, operations, marketing and social impact management.

It is important to be cautious when taking on debt, and not to borrow more or less than is needed. Borrowing less may mean that it will not be possible to implement your activities at full scale and generate the revenues expected in the business plan, but it will still be necessary to make the loan repayment installment. If the site or proponent takes on too much debt, it may become difficult to keep up with ongoing business and management expenses plus debt payments. This can also limit future borrowing potential because investors may find it too risky to invest money in a business that has already too much debt. Ultimately, too much debt may impede reinvesting earnings into business expansion and further conservation. Therefore, before taking on debts, conservation practitioners may want to seek expert advice on the calculation of the debt, the preparation of a strategic risk assessment and a risk mitigation plan.

In managing risks in each kind of investment, the following may be useful:

**Minimising debt risk:** in taking on debt, try to have grace periods, low interest rates and provide guarantees that won't put the organisation or the proponent's life at risk;

**Strategic risk assessment:** when developing the business plan, make a risk assessment in terms of:

1

**Operational risks of the proposed activities**—  
e.g. can cacao grow in this buffer zone, or are tourist activities adapted and safe?

2

**Climate risk**—e.g. what changes are possible - droughts, heavy rains, or weather disasters?

3

**Legal, tax, currency and regulatory risk**—e.g. are taxes too high, is there a legal framework for the activities proposed? is it preferable to be paid in US\$ or local currency, and how this helps the debt payment?

4

**Market risks**—e.g. what is the demand for the products or services, and is it likely to change?

**Risk mitigation:** once the risks are identified, look for help from a specialist in each of the risk identified areas to create a risk mitigation plan with mechanisms to be applied for each risk, to reduce the probability of those risks becoming a reality. As with everything in life, business carries risks. Conservation businesses carry more risks in general terms as this is a new sector of the world economy with little track record and a lot of lessons still to be learned!

## TYPES OF INVESTORS

Investors are commonly divided into two kinds: professional investors (private people and companies) and institutional investors (large organisations that include banks, insurance companies, pension funds, etc.). Both kinds are increasingly motivated to invest in projects that can demonstrate strong social and environmental benefits, while still getting a return (3-5%).

Some investors like Yunus Social Business provide loans with flexible conditions and friendly terms to businesses that create environmental or social impact (see [Box 12](#)). Other institutional investors also provide loans or buy shares to finance sustainable projects. For example, Triodos is an ethical bank, which offers its clients a pension plan to save for their future. The funds are used to finance sustainable projects which meet the United Nations Principles on Responsible Investments.

Another example is Mirova, an asset manager which provides its clients (the investors) the possibility to invest in 6 asset classes: equities, fixed income, multi-asset management, social impact investing, energy transition infrastructure and natural capital. In relation to natural capital, Mirova has acquired Althelia Ecosphere (another asset manager specialising in natural capital) and founded [Mirova Natural Capital](#), which manages USD 400 million worth of investments in nature-related projects, and aims to reach a billion euros' worth of investments in this area by 2022.

These kinds of investors can provide the substantial upfront investment required to prepare and implement the business plan, for example those related to the process of certification of carbon bonds as in the case of Cordillera Azul National Park in Perú (See [Box 13](#)).

### Box 13 **Case Study: Cordillera Azul National Park, Peru**

Created in 2001, Cordillera Azul National Park covers 13,531 square kilometers of Amazonian jungle, sheltering more than 4,000 species of plants in its forests; not only timber trees, but also shiringa, cacao and wild tomatoes. The park is home to fifteen threatened species and in recent years, at least 20 new species have been discovered, several still to be classified. In the buffer zone of the park there is an increasing number of population centers, standing at 530 today, as well as some native communities of four Amazonian ethnic groups; there is also evidence of the presence of indigenous communities in isolation. The Park protects the headwaters of 45 basins, providing water to more than 350,000 people. It is an IUCN Green List Site.

SERNANP, the Peruvian management authority for protected areas, has a contract with the Centro de Conservación, Investigación y Manejo de Áreas Naturales (CIMA) for the Park's management. Thus, CIMA is responsible for implementing conservation and protection activities inside the Park and its buffer zone, and reaching the long-term financial sustainability of the protected area.

In light of CIMA's duty to achieve financial sustainability for the Park, a public-private partnership was formed between SERNANP, CIMA and Althelia Climate Fund (ACF), a private investment fund. CIMA developed the Cordillera Azul National Park REDD+ Project while ACF made a carbon-asset backed loan to CIMA for protection activities and restoration of degraded lands in the buffer zone with sustainable agroforestry systems that combine food crops to enhance food security (i.e. banana, cassava), with sustainable cash crops such as cocoa and coffee to support poverty reduction, in partnership with local farmer cooperatives.

Once the emissions reductions due to avoided deforestation were generated and sold, those revenues helped to pay the loan. In case the loan was defaulted because no sales of carbon bonds were generated, the only guarantee for the loan was the carbon bonds. This innovative financing mechanism was guaranteed at 50% by USAID-Credit Development Authority, helping to reduce the carbon bond market risk for Althelia. Happily, the full loan has been reimbursed and the project has been a complete success.



## CONDITIONS FOR INVESTMENT

Investors and asset managers have shown an interest in funding enterprises in conservation-related sustainable industries such as commodities and fibre production, habitat conservation and water. Yet, while the inclusion of the private sector is an attractive solution to reduce the financial gap, investing in conservation is still considered slow and risky. Unlocking private capital to narrow the current conservation funding gap requires clearer and more attractive risk & return profiles from conservation projects.

Previous researchers have identified a series of conditions to be considered by project developers and conservationists that would facilitate and enhance the inclusion of private investors and hence attract larger sums of private capital into conservation. To build investable projects, managers should:

- Standardise or identify the financial benefits from their investments. Be more open, objective and structured.
- Aim for scaling. High financing and admin costs reduce the overall return and make projects less attractive to investors.
- Structure projects under the same focus on return and impact maximisation. Try to mitigate risks and boost returns.
- Consider positive environmental impact as something more than just an externality.

## IMPACT INDICATORS

For conservation projects like those fostered by the INC, the measuring of social and environmental impacts of the investments in a certain project is highly relevant. This is especially the case for projects based on a payment-by-results scheme, where funds are obtained only when certain targets are reached. Furthermore, impact investors increasingly demand transparency on the projects and some evidence of the positive social and environmental impact of their investments. Some investors are joining the voluntary UN Principles for Responsible Investments. However, these are rather general and may not fully reflect the need to show impact on conservation of natural values.

Therefore, where investments are sought to support protected and conserved areas, it is useful to use an accepted standard for effective management for conservation results, as these may be a decisive factor in the investment decision. The IUCN Green List Standard is one way to measure the impact of investment in protected and conserved areas in a standardised manner, using indicators that are accepted worldwide and ensuring that the investment meets adequate performance indicators (see [Box 1](#)).



## Further readings

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The Coalitions for Private Investment in Conservation. A collection of useful reports is available at: <http://cpicfinance.com/resources/related-reports/>

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# PARTNER SITES

Sites cover the full range of ecosystems, from mountains to islands and uninhabited landscapes.

## ESPIRITU SANTO MARINE PROTECTED AREA, MEXICO

### Context

Marine World Heritage Site home to sharks, sea turtles and sea lions.



### INC contribution



## GUANAHACABIBES NATIONAL PARK AND BANCO DE SAN ANTONIO, CUBA

### Context

400 km<sup>2</sup> of coral reefs, sea turtles and mangroves.



### INC contribution



## MOSAIC MINAS - POLOCHIC, GUATEMALA

### Context

Important landscape for freshwater, agriculture, and habitat for manatees, howler monkeys, etc.



### INC contribution



## SIERRA DEL LAJUNTA, GUATEMALA

### Context

Part of Mayan Biosphere Reserve, protects archeological sites and hundreds of species.



### INC contribution

## TATAMÁ NATIONAL NATURAL PARK, COLOMBIA

### Context

Pristine IUCN Green List site rich in biodiversity co-managed by indigenous and Afro-Colombian communities.



### INC contribution



## CORDILLERA AZUL NATIONAL PARK, PERU

### Context

Over 13,500 km<sup>2</sup> of Amazonian jungle home to voluntarily isolated communities and at least 20 recently discovered species.



### INC contribution

INC is a Programme led by The IUCN Environmental Law Team working with the Global Protected Areas Programme and the Business and Biodiversity Programme. It is generously supported by the Aage V. Jensen Charity Foundation.

islands, wetlands to desert, peri-urban areas to vast

### S NATIONAL PARK N ANTONIO RAL ELEMENT,

fs, seagrass, beaches



### LACANDÓN,

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ecting  
sites and  
species.



### LAKE PAMVOTIS PROTECTED AREA, GREECE



#### Context

Natura 2000 site consisting of small urban lake and inhabited island with representative biodiversity.

#### INC contribution



- TOURISM
- AGRICULTURE
- CARBON CREDITS
- FISHERIES
- PAYMENTS FOR ECOSYSTEM SERVICES
- BIODIVERSITY OFFSETS
- INVESTMENT MECHANISM
- FEASIBILITY STUDY
- CAPACITY BUILDING
- BUSINESS PLAN
- LEGAL STUDY
- GOVERNANCE STRUCTURE
- FINANCIAL GAP CALCULATION
- BUSINESS MODELS

### CAVERNAS DO PERUAÇU NATIONAL PARK, BRAZIL



#### Context

Remote site hosting maned wolf, puma and ocelot as well as spectacular karstic caves with 10,000 year old paintings.

#### INC contribution



### SINAL DO VALE, BRAZIL

#### Context

Private protected area acting as a buffer between the Atlantic Rainforest and the outskirts of Rio de Janeiro.

#### INC contribution



### GREATER SOSSUSVLEI-NAMIB LANDSCAPE, NAMIBIA



#### Context

Landscape managed by association of landowners and custodians connecting Namib Desert and productive escarpment.

#### INC contribution



IF YOU WOULD LIKE TO LEARN MORE OR CONTRIBUTE AS A PARTNER, PLEASE CONTACT US AT:  
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