

❖ **STANDARD 14: PRODUCE A LONG-TERM FINANCIAL PLAN TO SUPPORT STRATEGY AND MEASURES, IMPLEMENTATION, FURTHER DATA DEVELOPMENT, AND ANALYSES. [PLAN]**

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**Rationale**

Long-term conservation requires sufficient resources over the course of actions, and financial sustainability is a prerequisite for sustainable conservation. Further, for an ecoregional assessment to maintain efficacy, data must be managed over time and analyses updated as new data become available or methods advance. Consideration of how ecoregional conservation activities (maintenance of the vision/assessment, implementation of conservation action, and measuring progress) can be resourced over the long-term will improve the sustainability of the portfolio's conservation.

**Recommended Products**

- A long-term financing plan, to support the sponsoring organization, partners and stakeholders in maintaining and updating data, conducting analyses, implementing conservation strategies, and measuring conservation progress.

**GUIDANCE**

Ecoregion conservation is a process that, over a period of decades, will require the investment of a significant amount of funding (and time) by a range of stakeholders. It is therefore critical that conservationists working on ecoregional assessments take the time to identify and plan for funding patterns that evolve over time.

Much of the discussion around ecoregion conservation tends to focus on the availability of resources—either to undertake the planning process or implement the actions needed to achieve its ambitious goals. Some ecoregion teams have calculated their resource needs—that is, the people and funds needed to achieve their ecoregion vision/assessment— at a level in the millions of dollars, while others have focused on the amount needed to support the planning process (for example, an average of \$250,000 annually). Either way, the discussion of funding is based on the question of whether and how an ecoregion team can generate or leverage the resources needed to make ecoregion conservation a reality.

An ecoregion team should be able to calculate the investment required to move from the development of a biodiversity vision/assessment to the achievement of that vision/assessment. The key layers of investment that an ecoregion will need to raise or leverage to make a vision/assessment become reality are:

- Core Investment
- Third-Party investment.

*Core Investment*

All discussions around ecoregion development and achievement start with the core investment. The core investment represents the level of core support that an ecoregion team requires to initiate and sustain conservation efforts. The offices or organizations responsible for an ecoregion require this investment in leadership, planning, early action, information sharing, capacity building, coalition building, fund-raising, and monitoring and evaluation. While the amount required will vary among ecoregions (depending on the size and profile of the ecoregion, level of previous engagement, and phase of ecoregion conservation development), an ecoregion requires guaranteed core support for leadership (including staff and consultants), stakeholder engagement (workshops and participation), communications (outreach materials and processes), and technical assistance for at least three years if it is to be effective. Activities supported by core funding will include the promotion and initiation of action, the pursuit of outstanding opportunities (to create new protected areas or new protocols for resource use and management), and the leveraging of external influence and investment in a comprehensive conservation strategy. The core support provides a platform upon which an ecoregion, and associated conservation program, activities and achievements are built.

The provision/assessment of core support to ecoregion teams will help build a framework and constituency for the achievement of ambitious conservation targets. With this foundation in place, the ecoregion can begin to implement a program of activities that, collectively, will contribute to the achievement of conservation goals.

Later in the process, the amount of activity supported under the project and programs line will increase to include a range of projects and programs, communications, policy, and advocacy initiatives. Within this line will be initiatives that are undertaken by coalitions, with a correspondingly expanding profile. (It is also important to note that this line of resourcing will rise and fall as projects and programs are initiated or concluded throughout the life of an ecoregion.) The projects and programs supported at this level of funding should have the explicit objective of achieving immediate conservation wins and stimulating or leveraging the decision-making processes and actions of others. They might be projects with the potential for magnification; policy or advocacy initiatives that will influence external processes; campaigning efforts that will build constituency support; or education efforts designed to generate support for specific conservation targets. While the funding for these initiatives can be generated on a project-by-project basis, it is critical that both the ecoregion team and donors recognize that each activity will only achieve maximum leverage if conceived and supported within the larger ecoregion framework (i.e., funds to support one protected area project may be wasted if efforts to address wider policy and communications processes are not also supported).

### *Third-Party Investment*

Third-party investment represents the level of support provided by organizations other than those directly engaged with the ecoregion (e.g., government, private sector, multilateral processes) towards the achievement of the ecoregion conservation targets. Leveraged in part by the model actions, advocacy, or socioeconomic incentives, third-party investment is

supporting decision making, action, and behavioral change consistent with ecoregion conservation objectives and goals (through a policy initiative, national program, or commercial endeavor such as certification). This would include development, staffing, capacity building, and maintenance of nation(s)' entire proposed protected area network. Ecoregional conservation teams can assume that the investment in conservation will become more efficient over time (based on learning or the identification of methods of conservation that are more cost efficient). Therefore, it is possible to imagine that, at some point, the graph of investment over time (along with the "projects and programs" line) will level off or decrease. Yet, conceptually the conservation impact graph will continue to rise as awareness raising, education, increased stakeholder participation, and policy initiatives provide ecoregion partners and external agencies with tangible options and approaches to conservation, natural resource management, and development across large landscapes..

Fund-raising will be a major focus of ecoregion efforts. Raising support for the core team and early vision/assessment process will require an initial burst of fund-raising activity. Once the vision/assessment and targets have been generated, the team will need to seek funds to support stakeholder engagement, conservation strategy development, and capacity building—not to mention projects that, if implemented immediately, may result in the mitigation of a threat or realization of an opportunity that can bring substantial rewards. There is no magical approach to ecoregion fund-raising. It will always take considerable time and energy, and it will always require the concerted effort of the ecoregion team and its partners.

The distinguishing feature of ecoregion fund-raising is that all efforts are undertaken with a view to the larger context. For example, while funds may be easily secured for a single large project (such as a protected area), the rationale for that project should be linked to the larger ecoregion context (namely the vision/assessment goals). By embedding single projects (e.g., the Great Barrier Reef water-quality analysis) within the larger ecoregion framework, an ecoregion can offer donors a return on their investment that is many times greater than the outcome of the single project (in the case of the Great Barrier Reef, the ecoregion realized a \$21 million return for conservation on a \$68,471 investment).

The key then is to begin with a long-term ecoregion funding strategy around the core, project, and leveraging needs. Eventually, part of the job of the ecoregion team is to assist with the development of a sustainable funding strategy for all protected areas in the ecoregion. In doing so, it is critical to ensure that opportunities to leverage funding for activities that will support the ecoregion process are pursued (even if they will not be delivered by the ecoregion team). For example:

- A number of multilateral and bilateral donors are currently supporting or looking to support natural resource management efforts in the Western Pacific. While the agenda of the ecoregions in the region will make up only a small portion of the funding themes of the donors, their ability to influence the shape and focus of the wider investment portfolio (by a factor of five times greater than what the ecoregion team can hope to secure) cannot be overlooked by the ecoregion. Activities to

influence the full donor investment portfolio should be factored into the core support and project and program strategies and budgets of the ecoregions.

- In China more than 50 million (US\$58 million) will be invested by one donor in biodiversity and river-basin support projects. The Yangtze Basin ecoregion may be able to secure one-tenth of that amount for its own activities, but the opportunity to influence the full program of funding must be a strategic objective supported by core funding. The ecoregion can make the case for such core support based on the projected impact that influencing the full package of donor funding can have on the achievement of clearly articulated objectives and targets.

Ecoregional conservation teams must recognize that big-dollar support for a single project—or even several large projects—will never be enough to secure the full breadth and ambition of ecoregion conservation. For an ecoregion to be successful, projects that receive funding need to be proposed and implemented within an ecoregion conservation framework that links the outcomes of the project to higher-level objectives. Without that connection, the funds secured for large projects in an ecoregion may amount to no more than a large project budget that will make significant managing and reporting demands on the ecoregion team. In seeking funds to support ecoregion conservation efforts, an ecoregion should:

- Conceive of proposals within the wider ecoregion context (reflecting the ecoregion funding model)
- Promote the potential for partnership and magnification (across themes and sectors)
- Identify and optimize points of leverage
- Make connections between the biological, political, economic, and cultural aspects of ecoregion conservation
- Match funding requests to the capacity to deliver (in technical and management terms)
- Set out clear measures of success.

Ideally, an ecoregion should not:

- Pursue funding just because it is available (it may not support or contribute to ecoregion interests and needs)
- Pursue funding at a level that exceeds large program management capacity and experience (unless you have a capacity-building or large program management initiative in place)
- Significantly compromise conservation objectives and targets (to secure funds)
- Build up a portfolio of well-funded projects in the ecoregion that do not contribute to targets (but that keep everyone fully occupied in their delivery).

## **CASE STUDIES**

### **The Valdivia Ecoregion**

In the Valdivia ecoregion, the calculation of ecoregion investments and impacts has proved challenging given the diversity of actors engaged in the ecoregion conservation process. However, using the ecoregion funding model, it is possible to begin to calculate the investment to- impact ratios that have been achieved by the Coastal Coalition, a key promoter of ecoregion vision/assessment priorities and targets in Valdivia.

- WWF has invested approximately US\$82,000 of core funding (over 3 years) in the Coastal Coalition. (WWF helped establish the coalition and is now an active member.) The coalition has dedicated a significant portion of its time and effort to addressing the threat of the proposed Valdivia Highway to priority areas of the ecoregion.
- Project funding of US\$55,000 has been spent by WWF on activities that have informed advocacy and communications around the highway issue.
- As a direct result of the work of the Coastal Coalition (and therefore of WWF's investment in its establishment and operation), the Ministry of Planning has established two new units dedicated to environmental issues—the cost of those units is calculated to be US\$175,000 annually. The government has funded five environmental impact assessments, at an estimated cost of US\$375,000, and funds have been committed to environmental rehabilitation of the original highway route (US\$300,000). The potential value of these government investments to future conservation achievements in the Valdivia ecoregion is unable to be measured at this time, but it is likely that they will have a positive influence on future planning decisions in priority biodiversity areas.
- To date, the most significant conservation impact leveraged by investment in the Coastal Coalition has been the designation of 50,000km<sup>2</sup> of roadless area, more than 10,000km<sup>2</sup> of which are likely to have been penetrated (for logging and settlement purposes) had the highway gone ahead. In combination, these achievements represent realization of key aspects of the biodiversity vision/assessment—namely protection of the priority biodiversity of the Valdivia ecoregion Coastal Range.

### **The Great Barrier Reef ecoregion**

The Great Barrier Reef (GBR) conservation team has used the ecoregion funding model to visualize and measure its impact on conservation across the ecoregion

- The core funding investment (the basic GBR core budget) is approximately AU\$250,000 (US\$171,177) annually. This baseline investment supports the coordinator and the program of activities in the ecoregion.
- The WWF Action Plan expenditure includes an investment of AU\$100,000 (US\$68,471) in the analysis and promotion of water-quality issues across the GBR. Water quality was identified as a key issue in the original scoping and biodiversity assessments.
- The combination of the core and project funding has subsequently contributed (through awareness raising and advocacy efforts) to third-party investment in (1) a government-supported water-quality plan, and (2) an AU\$31 million (US\$21 million) contribution by federal and state governments towards coastal wetlands conservation.

Taken together, core, project, and leveraged funding is combining to deliver on the second target of the GBR conservation strategy: To halt and reverse the decline of water quality on the GBR within ten years.

## The Northern Great Plains ecoregion

In completing its vision/assessment and conservation plan, the Northern Great Plains network has developed a strategy that ultimately looks to leverage more than US\$1 billion in investment in conservation of the ecoregion. The strategy is based on the following calculations:

- The Northern Plains Conservation Network requires US\$400,000 over 2 years to support the core costs.
- Over the next 10 years, the ecoregion team projects spending of US\$4 million directly on contributions to conservation efforts as well as to programs that create an environment for third-party interest and conservation investments.
- Over the next 15 years, US\$1 billion will be invested (75 per cent by government programs and 25 per cent by the private sector) in activities that will contribute to and support achievement of the biodiversity vision/assessment for the ecoregion.

Making funding calculations and projections such as these provides an ecoregion with important benchmarks that allow them to project the potential of the ecoregion to deliver on its ambitious agenda. They also provide a useful point of reference for ecoregion communication with key stakeholders and partners in terms of program aspirations, opportunities, and needs.

## TOOLS

WWF Conservation Finance Group. 2003. *Conservation Finance e-Resources; A Compendium of Examples for Self-Sustaining Projects to Protect Wildlife and the Environment*. Washington, DC.

[http://www.worldwildlife.org/conservationfinance/pubs/finance\\_resources.pdf](http://www.worldwildlife.org/conservationfinance/pubs/finance_resources.pdf)

This resource contains information and further links to information on:

1. Direct allocations from national and local government budgets
2. Government bonds issued to raise funds for conservation
3. State lottery revenues
4. Conservation trust funds
5. Debt-for-nature swaps
6. Protected area entry fees
7. Income earned from tourism-related operations of protected area agencies
8. Voluntary contribution programs administered by tourism operators
9. Diving fees
10. Airport and cruise ship passenger fees
11. Hotel room taxes and surcharges

12. Real estate tax surcharges for conservation
13. Conservation easements
14. Habitat improvement tax credit
15. Tradable development rights and “wetland banking”
16. Purchase or donation of land and/or underwater property
17. Tradable quotas
18. Conservation services levy
19. Fish catch levies
20. Eco-labeling and product certification
21. Recreational fishing license fees
22. Excise taxes on sales of recreational fishing equipment and motor boat fuel
23. Fines for illegal fishing, and proceeds from sales of confiscated fish, boats and equipment
24. Pollution fines and out-of-court settlements for pollution damage
25. Royalties and fees from offshore mining and oil and gas
26. “Right of way” fees for oil and gas pipelines and telecommunications infrastructure
27. Hydroelectric power revenues
28. Premium-priced wildlife postage stamps and automobile license plates
29. Biodiversity prospecting
30. Private sector investments promoting biodiversity conservation.
31. Watershed Conservation Fees and Protection
32. Tax Credits and Easements
33. Buying Natural Resource Concession Rights
34. Volunteer Organizations
35. Unique Habitat Improvement Actions
36. Unique On-Sight Fundraisers
37. Carbon Sequestration Payments
38. Fuel Taxes

### *Proposal writing*

Global Development Network

[http://www.gdnet.org/online\\_services/toolkits/proposal\\_writing/](http://www.gdnet.org/online_services/toolkits/proposal_writing/)

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<http://www.worldwildlife.org/conservationfinance/pubs/fmc.pdf>

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WWF Center for Conservation Finance. *Raising Revenues for Protected Areas*. Washington, DC.

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WWF Center for Conservation Finance. *Financing Mechanisms for Conservation and Sustainable Management of Central African Forests*. Washington, DC.

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