

BioCultura Programme: resource mobilization and co-management practices

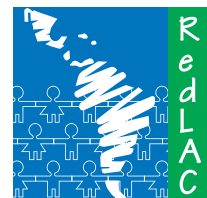
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Fund:

FUNDESNAF

Bolivia | 2013



Latin American and Caribbean
Network of Environmental Funds

Case Studies

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I) Overview

About the BioCultura Program

Bolivia is an enormously rich country in terms of cultural heritage and biological diversity, but it has one of the highest levels of poverty and inequality in Latin America. There are over 30 cultural groups, each of which maintains a particular way of relating to nature. Small-scale farmers and indigenous communities—especially those inhabiting the Andean region—depend heavily on biodiversity and so are careful to protect it and use it sustainably. The main environmental threats are from economic activities such as extracting precious timber and mineral resources, and farming in poorly suited areas.

In support implementation of the Biological Diversity Convention in Bolivia, in 2007 the Ministry of the Environment and Water and Swiss Cooperation Agency (COSUDE) started jointly to develop the National BioCultura Program in the framework of bilateral cooperation between Switzerland and Bolivia. This program was awarded in a contest organized by COSUDE, and received financing for approximately USD 6,700,000 to be executed from 2010 to 2014. Two highly experienced foundations were selected to implement the program:

- *The Fundación para el Desarrollo del Sistema Nacional de Áreas Protegidas (FUNDESNAPE)*, which since the year 2000 has been helping to strengthen national, departmental and municipal protected areas and the different stakeholders associated with them, and
- *the Asociación Boliviana para el Desarrollo Rural (Pro-Rural)*, a private entity that since 2000 has also been supporting economic initiatives of grass-roots rural producers, their economic organizations and micro, small and medium-size enterprises, to enhance their incomes sustainably and position them profitably in domestic and foreign markets.

The central purpose of BioCultura is "to encourage sustainable use and conservation of Andean ecosystems for good living (*suma qamaña – suma qawsay*)". This paradigm of *good living* proposes social and economic development in harmony with nature and in community with other human beings.¹ BioCultura seeks to establish a **funding system** that combines specific financial mechanisms as the foundations upon which to build sustainability.

To meet its proposed purpose, the program promotes:

- i. public policy making based on local norms and practices relating to biodiversity management;
- ii. developing inclusive, sustainable, feasible economic alternatives;
- iii. preserving the critical functions of ecosystems; and
- iv. revaluing the cultural identity of the communities.

One of the key aspects is capacity building for national, departmental and municipal authorities responsible for implementing policies relating to biodiversity use and conservation. Among other things, it transfers know-how on developing proposals and mobilizing financial resources.

To strengthen program management, the *Unidad de Seguimiento y Monitoreo y Gestión Financiera* (USEF) was created. It manages all resources contributed by COSUDE and plays a key role in mobilizing and raising complementary funds. The USEF has four people (from FUNDESNAPE) for administrative and financial management, and three follow-up technicians (from ProRural) who monitor the progress made on what is decided in each Endogenous Biocultural System (EBS).

¹ *Plan Nacional de Desarrollo 2006 – 2011; Plan Rector 2009 – 2013.*

Endogenous Bio-cultural Systems

The central element of BioCultura is what is known as an *Endogenous Bio-cultural System* (EBS). These are projects based on local capacities, that arise from popular demand, are developed with the engagement of all local stakeholders, and are approved by municipal authorities and social or territorial organizations. EBS startup is grounded in co-management and shared responsibility among implementing partners (normally NGOs or foundations selected from a short list proposed locally by municipalities and the communities themselves), local social and farmer organizations, and municipal governments.

Goals set and joint responsibilities undertaken by the various stakeholders are formalized with a *Co-Management Agreement* signed through the USEF. These contracts include financial commitments by all parties—municipal counterparts, implementing partners and beneficiary communities—and are countersigned by local mayors and key authorities of the participating communities. In addition, USEF provides technical, organizational and financial assistance for project startup.

For the two-year duration of these initiatives, an EBS addresses matters such as cultural identity and revaluing local wisdom, raising family incomes, conserving natural resources and biodiversity, and food security. As cross-cutting issues, they also cover gender and generational equality and territorial governance, the latter addressed by forming a local council made up of all local institutions and stakeholders.

Their initiatives include a diverse array of activities. A few examples include revaluing local knowledge on the use of medicinal plants, ritual practices relating to farm production, strengthening local organizations for risk management, capacity building for project development, encouraging and bolstering the involvement of women, youth and the elderly in decision making, strengthening rules on the use of and access to forests and green areas according to uses and customs, helping to market prioritized farm produce, collecting and cultivating Andean crops such as cahihua, quinoa and tubers, supporting local craft production initiatives (prioritizing women's participation), farm management of pests and diseases, promoting fairs for the exchange of farm products, reforestation with native species, diversified production for food security, and others.

Beginning in August 2010, EBS were started up in 18 municipalities in the departments of La Paz, Cochabamba, Oruro, Chuquisaca, Tarija, and Potosi, each with approximately USD 200,000 in COSUDE funding for two years. To date, some 10,413 family units have been benefited in 296 communities.

Ensuring Long-Term Financing by Leveraging Funds

At July 2013, the BioCultura Program had executed 66% of the funds contributed by COSUDE. One of this agency's key aspects when financing a project is to ensure its long-term sustainability and the ability to replicate the initiative under the same model. To this end, the target was set to mobilize two million dollars in addition to the COSUDE contribution. USEF is the unit in charge of mobilizing and channeling additional financial resources from a wide diversity sources. In order to guide this resource mobilization and the program's financial management, the *Plan de Apalancamiento de Recursos Financieros* (Financial resource leveraging plan) was designed to support the EBS and scale up the program.

Thanks to this plan and the efforts of the USEF through its *Mecanismo de Cofinanciamiento de Programas y Proyectos* (Co-financing mechanism for programs and projects), significant funds were raised from both domestic participants (local governments, implementing partners and communities) and foreign donors (both public and private). Between 2012 and 2013, a total of USD 1.6 million has been raised from the Indigenous Fund², the European Union (EU), the Swedish International Development Agency (SIDA), the United Nations Development Program (UNDP), and the Danish International Development Agency (DANIDA). This figure is sure to grow, as decisions are pending on several proposals presented to the Indigenous Fund, the EU, the Inter-American Development Bank (IDB), the Japan Fund, and the World Bank for a total of at least five million dollars.

² The *Fund for the Development of the Indigenous Peoples of Latin America and the Caribbean*—known as the Indigenous Fund—is the only international organization for multilateral cooperation that specializes in promoting self-development and recognition of the rights of indigenous peoples. It was established in 1992 at the Second Summit of the Ibero-American States in Madrid, Spain.

Through co-management agreements, another USD 1.5 million has been committed to by local implementing partners, municipal governments and communities participating in the EBS. This represents an increase of about 73 percent over what was committed to initially. Approximately 60 percent of these resources have already been executed (see Table 1).

In total, from the beginning of the program to July 2013, the **internal and external funds raised amount to a total of USD 2.49 million** and are expected to will grow further (see Tables 1 and 2). With these figures, the leveraging target agreed upon with COSUDE should be surpassed by two million dollars by the end of 2013.

Table 1. Meeting Financial Leveraging Commitments: 2012 - 2013 Period

(Stated in millions of US dollars)

| PROCESS/SOURCE | TOTAL TARGET | DETAILED TARGETS AND ACHIEVEMENTS (IN USD MILLIONS) | | | |
|---|--------------|--|------------------|------------------|----------------|
| | | 2011 | ACHIEVED IN 2012 | ACHIEVED IN 2013 | TOTAL ACHIEVED |
| Municipal counterparts (EBS co-management agreements) | 0.43 | | 0.17 | 0.07 | 0.24 |
| Additional local counterparts (contracts: implementing partners and communities) | 0.29 | Management process, mechanism design and formal agreements | 0.45 | 0.22 | 0.68 |
| <i>Fondo Municipal Biocultural</i> | 0.50 | | - | - | - |
| <i>Fondo Canasta Biocultural</i> | 0.14 | | - | - | - |
| <i>Fondo Financiero Biocultural</i> (microfinance) | 0.36 | | - | - | - |
| Co-financing and technical assistance programs and projects | 0.29 | | 0.39 | 1.19 | 1.58 |
| TOTAL (in USD millions) | 2 | | 1.01 | 1.48 | 2.49 |

Source: USEF, July 2013

Table 2. Executed by Local Counterparts

(Accrued at June 30, 2013)

| DETAIL | COMMITTED (Bs.) | EXECUTED (Bs.) | PERCENTAGE (%) |
|-------------------------|------------------|----------------|----------------|
| Municipal Governments | 528,132 | 240,760 | 46% |
| Beneficiary Communities | 497,755 | 323,570 | 65% |
| Implementing Partners | 506,087 | 353,572 | 70% |
| TOTAL: | 1,531,974 | 917,902 | 60% |

Source: Implementing Partners, July 2013

BioCultura has been launched in 25 municipalities selected according to criteria such as the presence of Andean ecosystems prioritized for conservation, cultural homogeneity, low human development indices, and high rates of poverty and inequality. Several of these municipalities overlap with protected areas of national interest such as Apolobamba, Sama Biosphere Reserve, *Serranía de Iñaño*, *El Palmar*, and Sajama. These sites pose an opportunity to showcase the environmental, cultural, economic, and social functions of protected areas, as set forth in the Constitution of the Plurinational State of Bolivia.

Although the program as a specific duration (2010 to 2014), the hope is that it will extend to all of the municipalities in the country. BioCultura has already presented proposals for extension to other regions, including a proposal to work in the lowlands.

II) Analysis

A broadly conceived Environmental Fund

Financial support for Bolivia's protected areas (PAs) is one of the key activities of FUNDESNA. From 2002 to 2011, it mobilized and raised over USD 40 million in trust funds to support recurring costs in the PAs, donations for specific projects and programs from public and civil-society actors, and common funds managed with municipal governments.

For FUNDESNA, the idea of an environmental fund goes beyond the function of a financial mechanism that manages funds efficiently. Resource mobilization is perceived as everything from the most complex mechanisms such as debt swaps or trust funds to negotiating with a municipality to co-finance a specific activity. And resources do not necessarily have to be channeled through their accounts. Diverse stakeholders united around a common agenda can be part of this mobilization, which contributes to financing the same goals.

Uniting stakeholders around common agendas

Based on the concepts described above, local cooperation platforms are seen as suitable financial instruments for sustaining the conservation of protected areas, biological corridors, and projects for the sustainable use of natural resources. Therefore, one of BioCultura's main objectives is to support the creation of these platforms by uniting diverse stakeholders who share the responsibility to meet common goals. In other words, it is about coordinating local consensus processes and venues in which activities are jointly prioritized and agreements are reached regarding the goals to pursue and the internal and external resources to mobilize, be they financial, political or social.

III) Lessons Learned

For BioCultura, building sustainability requires developing and strengthening processes of shared responsibility among different stakeholders. Consensus building through local platforms made it possible to address in an integrated fashion all aspects of biodiversity resource conservation and sustainable use in protected areas by uniting visions and coordinating efforts in the pursuit of common goals. Developing this co-responsibility should be one of the basic tasks of an environmental fund.

Local development processes should seek to transfer capacities, especially to municipal governments and central actors. Their commitment with the program and its inclusion in their own action programs and budgets ensures the sustainability of these processes by including them in public policies.

The commitment of implementing partners to achieving leverage has been key to the continuity of these initiatives. This has been possible due to the long-term vision that was part of the program from the beginning of its intervention and was translated into co-management agreements and leverage commitments.

The role played by FUNDESNA throughout this process has been key in three primary ways: its broad expertise in managing project funds and donations, its experience mobilizing financial resources to achieve agreed leverages, and the concept of financial sustainability at all levels, including the local level of leveraging.

In the view of BioCultura, the idea of sustainability should be broadened to include not only fund raising, but also activities that make it possible to move towards a more integrated vision of co-responsibility, especially at the local level. In this way, co-financing, leveraging and especially the roles and responsibilities of each stakeholder are essential to avoid loading a single program or project with an entire protected area or preserve, so that each stakeholder will have a role to play and a responsibility to bear in achieving financial support. One essential aspect is the idea of working together with the central government, taking advantage of the capacities of specialized institutions, and making good use of the experience environmental funds have raising and managing funds to support the sustainability of an initiative.