



Africa Biodiversity Collaborative Group Private Sector Partnerships for Conservation Minutes of the Meeting

SUMMARY: On 6 May 2010, ABCG held a meeting on **Private Sector Partnerships for Conservation**, chaired by George Strunden, VP of Africa Programs, of the Jane Goodall Institute, and hosted by World Wildlife Fund-US. The objectives of the meeting were:

- To share lessons learned from partnerships with private sector companies
- To identify necessary elements for positive partnership with strong conservation outcomes
- To learn about the various roles that should be played by industry, community, government and conservation stakeholders

MAJOR CONCLUSIONS OF THE MEETING

- Africa is a continent of incredible biodiversity and a wealth of natural resources. As private sector operators (particularly extractive industry operators) continue to spread throughout the continent, there will be more areas in need of conservation efforts.
- Impacts of mining, logging and other extractive industry operations can be very destructive to ecosystems and wildlife.
- Long-term partnerships are built on carefully established trust, clear communication and transparent documentation.
- Partnerships must be strong enough to weather hard times, but hard times can build trust.
- Benefits of private sector partnerships include: complying with legal standards, building a green image for corporations, expanding conservation influence in high biodiversity areas, improving resource management and influencing rapid change agents and amplifying good practices.
- Risks of private sector partnerships include: bad press, greenwashing, pressure to compromise environmental and social standards and financial burdens.
- Incentives for corporations to engage in corporate social responsibility (CSR) are increasing through internal standards, financial lending institutions (IFC and Equator Principles) and association voluntary standards.
- Keys to success include establishment of clear conservation objectives, strong personal relationships, formal methods to resolve conflict and judicious use of data to support decisions and recommendations.
- The role of local people and land tenure must continue to be improved. The rights of local people, whether they be legal or de facto land/natural resource managers, must be considered, and they must be involved in the project from the beginning.
- The role of Chinese companies in Africa is growing, and presents new challenges for conservation. (See notes from ABCG meeting on Chinese Investment in Africa for more information)

PRESENTATION HIGHLIGHTS

[Extractive Industry and the Biodiversity Analysis and Technical Support \(BATS\) project](#) (click for presentation)

Tim Resch, U.S. Agency for International Development

Tim Resch reviewed the benefits and challenges of public-private partnerships from a U.S. Government perspective. In 1970, 70% of U.S. resources to the developing world came from the public sector, while today the public sector provides only 17% of the U.S.'s contributions to the developing world. The remainder comes from the private sector (42%), remittances (25%), NGOs (8%), and universities, religious organizations, foundations and corporations (8%). In Africa, USAID has built more than 269 public-private alliances – more than a third of USAID's such partnerships globally – with more than 800 partners, leveraging \$2.1 billion in private money. Partners range from non-U.S. governments to civic groups, NGOs and many others.

USAID's Africa Bureau has created the [Biodiversity Analysis and Technical Support](#) (BATS) program to provide analytical and technical assistance to the bureau and to support its operating units in the design and implementation of development, security and humanitarian assistance activities in Africa in a manner that conserves natural resources and biodiversity, including tropical forest and other critical habitats. BATS is a multi-partner effort including consulting groups (initially Chemonics International and currently [International Resources Group](#) (IRG)), [USDA's Forest Service-International](#) programs, and the [Africa Biodiversity Collaborative Group](#) (ABCG.) BATS provides services to meet mission and partner needs in country level 118/119 forestry and environmental assessments; forests and biodiversity conservation in states vulnerable to crisis, in crisis or emerging from crisis; collaborating with extractive industries to reduce environmental impacts; reviewing USAID/Africa's conservation history, lessons learned and way forward; and anticipating emerging issues and their impact on biodiversity conservation. BATS provided support for several of the papers presented in this meeting.

Tim highlighted several publications that can assist donors, NGOs, private sector partners and others in engaging with extractive industries for biodiversity conservation. These resources and others are listed at the end of this document.

As the environmental impacts of oil and minerals mining, logging and other extractive industries can be great (tailings polluting freshwater lakes and rivers, chemical reactions such as mercury poisoning, loss of biodiversity due to road and site building, and bushmeat hunting and trade), these impacts can be avoided or mitigated when companies partner with conservation efforts. However, working carefully towards establishing a partnership for mutual benefit can play a critical role in conservation success. More certification processes (such as Forest Stewardship Council, Kimberly Process) and guiding principles (corporate social responsibility and Equator Principles, to name just two) are developing and more companies are buying into the importance of such processes.

There are several models for partnership with the private sector, including risk management, co-financing, collaboration, knowledge generation, community development, biodiversity offsets, conservation funding mechanisms and payments for ecosystem services. USAID is involved with extractive industries in 14 sub-Saharan African countries, plus a West African regional presence.

[Are Partnerships the Key to Conserving Africa's Biodiversity?](#) (click for presentation)

Rowena Smuts, Conservation International

Rowena Smuts provided an overview a paper written for ABCG that investigated four long-term partnerships between conservation NGOs and mining companies in Africa. The African continent is a refuge for incredible biodiversity and mineral wealth, and there are many areas of geographic overlap between areas of conservation significance and mining sites. As demand continues, particularly in emerging markets, mining exploration is likely to shift into more remote and environmentally pristine areas.

There are a number of incentives for conservation/mining partnerships, including growing recognition of the importance of corporate social responsibility and stipulations by lending institutions that mining operations conduct environmental and social impact assessments (ESIAs) and adhere to processes such as the Equator Principles. Successful partnerships have mutual benefits and a relationship of trust and respect and ideally are long-term.

NGOs may benefit from mining partnerships by accomplishing biodiversity conservation objectives and advancing conservation outcomes in an area where they would not otherwise be able to have a direct impact. Mining companies can function as rapid change agents, particularly when the partnership extends between the field and into executive offices. If conservation efforts can influence company policy, best practices at a field site can be amplified throughout the company or even through the industry. NGOs in partnering with mining companies may risk greenwashing and loss of good reputation. Mining companies benefit from partnerships with conservation NGOs in that such partnerships can assist the companies in meeting regulatory standards, aligning with international best practices, building global shareholder confidence, gaining technical support and information sharing, and avoiding duplication of effort and expertise.

Rowena Smuts highlighted four conservation partnerships between NGOs and private sector companies including partnerships between 1) De Beers and Conservation International in Namaqualand, South Africa, which created a 160,000 ha protected area and secured protection of unique habitats; 2) Rio Tinto and Conservation International in the Guinean Forests of West Africa that contributed to local community capacity building, advanced scientific knowledge of Guinean forests, and encouraged the Rio Tinto mine to go beyond simply mitigating impacts of mining activities; 3) Anglo Base Metals and BotSoc in the Succulent Karoo of South Africa, where boosted local conservation capacity and alternative livelihoods and incorporated the local conservation partner into spatial development frameworks and integrated development plans for the region; 4) Rio Tinto and Flora and Fauna International in Madagascar, where three conservation zones were established within the mine lease area, created two large offsets of more than 40,000 ha, and reforested more than 1,000 ha of fast-growing species to reduce pressure on protected areas.

Among the four case studies, common partnership success factors included establishment of clear conservation objectives, progress towards a broader conservation goal or initiative, broad collaboration among stakeholders (including local and national government representatives, local community stakeholders, additional NGOs and environmental consultants), progress towards the company meeting a specific regulatory requirement, contribution of funds from the mining company, collaboration on-site coupled with collaboration at the corporate level, openness and trust, rigorous scientific methodology, and public communication of results and conservation outcomes.

Challenges include different institutional cultures among partners, lack of capacity within mining companies to implement recommendations, impact of changes in commodity prices on funding available for “non-core” activities such as conservation, change in point persons for partners and political instability or changes in host countries. To overcome these challenges, it is important to establish a relationship of mutual trust and respect and to work to understand each other’s business, values and point of view. Formalizing long-term partnerships through MOUs provides a concrete set of guidelines and agreements that can help move the partnership through tough times. Evaluation of the partnership to assure accountability on all sides and understand the factors that contributed to the effectiveness of the partnership is critical.

Issues in need of further attention include the role of Chinese companies in Africa, where there have been few partnerships established; the impacts of economic downturn and shifts towards other “hot issues” such as climate change; and the need for capacity building within the private sector to address environmental and social issues. Future opportunities may be found in scaling up or amplifying engagement with the mining sector through industry associations, development/implementation of social and environmental requirements by financing institutions, and engaging artisanal miners.

[Conservation is Good Business: Tools to engage the Private Sector in conservation](#) (click for presentation)

Moses Kanene, [African Wildlife Foundation](#)

Moses Kanene provided a review of the African Wildlife Foundation's (AWF) [Conservation Enterprise](#) programs, one of five key strategies AWF uses to fulfill its mission of working "with the people of Africa... to ensure the wildlife and wild lands of Africa will endure forever." Other strategies include land and habitat conservation, species conservation, capacity building and African leadership development, and policy. AWF defines conservation enterprise as "a commercial activity that generates economic benefits in a way that supports attainment of a conservation objective." This may include single ventures such as tourism, or work along a value chain of a commodity, such as coffee, livestock or honey. AWF has a portfolio of more than 60 enterprises in production or development (more than half of which are open for business); 65% of these are tourism enterprises, 20% are bio-enterprise and artisanal and 15% are food production.

Tools used by AWF as they work with communities and the private sector to develop conservation enterprise include due diligence, business planning, a legal contracts database, tourism product viability assessment, pre-tender marketing and tender management and evaluation. Services provided by AWF include business design, institutional development, project finance sourcing and structuring, contract design, negotiation and fulfillment, project development, marketing and business development, and identification, enforcement and fulfillment of conservation linkages.

AWF's most common partnership arrangement includes local community ownership and private sector management. This system secures community rights, resources and benefits while the private sector takes on the development, entrepreneurship and management of the project. Community ownership and management works well when the project is local, requires local materials and rich social skills and networks. Private sector ownership and management was most prevalent before the advent of community based natural resource management (CBNRM) and is frequently alienating to communities and only accords them token benefits.

Moses Kanene shared two in-depth case studies of successful conservation enterprise ventures that AWF has brokered. The [Lion Rock Tented Camp](#) in the Lumo Community Wildlife Sanctuary was developed in collaboration with local communities and a private sector operator to improve the former management system, which was a bad deal for communities, led to conflicts and was a commercial failure. AWF led the process to tender a new partner, sign new agreements for shared purchase, access license, sanctuary concession, a loan and a new lease. The new board and management team were elected and the lodge is now fully operational. Another example of a successful conservation enterprise involves a partnership with OI Peieta Conservancy in Northern Kenya regarding the livestock value chain. In this case, AWF assisted in brokering a US\$350,000 loan to the private sector partner to seed development of a revolving conservation livestock fund of US\$1 million housed within the private sector partner. Livestock purchases are conditional based on good grazing practices, and there is a certification tool kit developed with governance and conservation measures. The partnership expects a return of US\$8 million into local communities in the first 10 years. The project is sustainable and highly scalable, so further such partnerships are likely on the way.

AWF has learned that conservation enterprise successes have the following characteristics: 1) premised on commercial success (for which due diligence is a critical factor), 2) time and effort spent vetting potential private sector partners is critical, 3) community partners must be strong, with appropriate governance in place, 4) community ownership and enforcement of benefit streams must be contractual, 5) there must be transparent intra-community benefit sharing arrangements, avoiding elite capture of benefits and 6) clear conservation logic must be used throughout the project.

[Private-sector partnerships for conservation: example of logging concessions in Central Africa](#) (click for presentation)

John Poulsen, formerly of the [Wildlife Conservation Society](#), discussed a partnership between a logging company (Congolaise Industrielle des Bois), a conservation NGO ([Wildlife Conservation Society](#)) and the government of the Republic of Congo that has conserved wildlife, improved forestry management and improved the livelihoods of local people in and around forestry concessions near a national park (Nouabalé-Ndoki National Park (NNNP)). The Congo Basin is comprised of approximately 2 million km² of tropical forest, approximately 30-40% of which is in logging concessions. As such, logging operations are the de facto managers of large areas of tropical forest – an amount that is growing. To access the forest and conduct timber operations, roads are built that lead from concessions deep in the forest to capital cities throughout the region, fragmenting the forest and providing access to bushmeat hunters and traders. Pressure increases on natural resources as the population of workers and their extended families grows in once-remote forest.

The Buffer Zone Project (BZP) is carried out through a partnership between CIB, WCS and Republic of Congo to buffer NNP from the negative effects of logging, manage the forest ecosystem for sustainable timber extraction and to conserve biodiversity, and to work with local communities to develop sustainable management of natural resources and local territories. Responsibilities are divided among the partners: WCS leads research, monitoring, awareness-raising and community conservation efforts, and seeks 75% of the funding for the project. Congo's Ministry of Forest Economy is the lead on law enforcement and is co-manager of the project with WCS. CIB leads forestry work, and enforcement of company rules, including a prohibition on hunting with snares, transporting bushmeat or hunters, and assuring that employees hunt legally.

Forest management has been improved in several ways, including assuring that 85% of the wood is processed on site rather than shipped out as whole logs. The policies and procedures put into place in the BZP have led to certification by the [Forest Stewardship Council](#) (FSC) and have been adopted for all concessions in Republic of Congo. Wildlife laws are enforced by ecoguards that stop poaching of endangered species and hunting by wire snares. Legal subsistence hunting in designated areas is allowed for local people's protein needs. Community-based natural resource management incorporates local people into management of their resources and works together to identify economic and protein alternatives to hunting, including importation of domestic meat into concessions. Biological, socio-economic and law enforcement monitoring are conducted throughout the project.

Successes of the project include: in the 11 years of this partnership, conservation activities have taken place throughout nearly 28,000 km² of tropical forest, and FSC has certified 3 CIB concessions. Densities of endangered species have been maintained and there is no evidence of unsustainable hunting as yet. The BZP has influenced the Congo Forestry Code, so these efforts can be scaled up throughout the country.

Lessons learned in this partnership include several keys to a successful project: 1) strong personal relationships (particularly early in project development), 2) "getting your hands dirty" inspires confidence, 3) hard times build trust, 4) formal methods to resolve conflict, 5) recognition of evolving partnership and 6) support decisions and criticisms with data.

Keys to conservation success include: 1) focus on landscape conservation, 2) taking a multi-faceted approach, 3) good use of data and data management, 4) involvement of multiple stakeholders, 5) formalization of land-use planning, 6) promotion of certification and 7) scaling up of efforts through policy interventions.

Q&A, Discussion and Next Steps

Discussion centered on several focal topics: the role of local communities, land tenure, policy frameworks, keys to successful partnerships and scaling up positive interventions.

Local communities and land tenure: Several participants questioned whether local communities were

true partners or whether they received valuable benefits from the projects highlighted in the presentations. Diane Russell of USAID noted that many projects do not contribute to the long-term ownership of conservation areas by local communities, and that while communities may be nominally involved in projects, they do not have ownership over the projects or their outcomes. Moses Kanene added that “land tenure is where it starts,” and others noted the complications of land tenure, particularly in areas where the occupiers of the land do not hold tenure. In many Central African countries, the government holds the tenure to land, and local communities have few rights. Instead, logging companies and other concessionary managers are the de facto land managers for much of the land. The BZP project in Congo is one of the few sites in the country where there is a legal land tenure system in place. Regardless, involving the people who own, manage, or occupy the land under consideration must be involved from the beginning of the project.

Keys to successful partnerships: Throughout the discussion, trust and good communication were stressed as critical factors to successful partnerships. Many of the projects highlighted had timespans of more than 10 years – it takes a long time to build enough trust for a successful partnership to yield results. One important element of good communication is the use of clear documentation in establishing partnerships and expectations. AWF’s contracts database is a compelling tool, but it is for AWF’s internal use with its partners at this time. Different regions and settings will require different sets of contracts as key examples, and there was interest from a World Bank consultant in setting up an international contracts database to contribute to transactional transparency.

Scaling up: As extractive industries will likely play a very important role in the development of Africa, identifying ways to work with the private sector to establish and implement best practices for conservation and social benefit is critical. Identifying good partners for long-term collaboration is important, and trust must be established beyond a few key individuals involved in the project. As government partners establish, enact and enforce laws and policies within their borders, establishing open, clear communication and transparent partnerships with them is highly important. In terms of certification schemes, there are some that are in need of improvement. While FSC is the leader in terms of forestry certification, wildlife and biodiversity are not very important components to certification. And there are very few examples of certification for oil and mining operations.

Additional resources include:

- [USAID Alliance Industry Guide: Engaging Companies in the Extractives Sector](#)
- [Partnering with Extractive Industries for the Conservation of Biodiversity in Africa: A Guide for USAID Engagement](#)
- [Private Sector Partnerships for Conservation brochure](#)
- [Are partnerships the key to conserving Africa's biodiversity? Four partnership case studies between mining companies and conservation NGOs, by Rowena Smuts/Conservation International](#)
- [Building Private-sector Partnerships for Conservation \(PSPCs\): Lessons learned from the Buffer Zone Project in Northern Congo, by John Poulsen](#)
- [Using Private Sector Alliances to Address Drivers of the Bushmeat Trade: Experience from AWF, by Moses Kanene/African Wildlife Foundation](#)



ABCG's members are U.S.-based international conservation NGOs with field activities in Africa. ABCG’s mission is to tackle complex and changing conservation challenges by catalyzing and strengthening collaboration, and bringing the best resources from across a continuum of conservation organizations to effectively and efficiently work toward a vision of an African continent where natural resources and biodiversity are securely conserved in balance with sustained human livelihoods.