



Non-traditional funding sources for biodiversity conservation in Indo-Burma

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Red-veined dropping dragonfly (*Tritemis arteriosa*) at Konglor Village fish conservation zone, Lao PDR
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Introduction

The Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of l'Agence Française de Développement, Conservation International, the European Union, the Global Environment Facility, the Government of Japan, the MacArthur Foundation and the World Bank. It is a global leader in enabling civil society to engage in conservation of the world's most critical ecosystems.

IUCN is leading the Regional Implementation Team (RIT) for the second phase (2013-2019) of CEPF's investment in the Indo-Burma hotspot, working in partnership with the Myanmar Environment Rehabilitation-conservation Network (MERN) and Kadoorie Farm and Botanic Garden (KFBG). Among other priorities, CEPF seeks to improve the protection and management of priority sites and species, and support the development of domestic civil society.

Unfortunately, specific actions that are needed to conserve biodiversity across the hotspot do not seem to find sufficient space within the strategies of national governments and most multilateral agencies (which obtain their funding from multiple governments and spend it on projects in various countries). and bilateral agencies (which receive funding from the government in their home countries, and use the funding to aid developing countries). Funds available for species conservation from global funding mechanisms, such as the World Bank/GEF-funded Save Our Species initiative and the Mohamed bin Zayed Species Conservation Fund, are also limited.

The demand for biodiversity funding far outstrips available resources, as is evidenced by the fact that CEPF receives hundreds of applications in the Indo-Burma region (over 1,000 since 2013) but is only able to support about 17% of these. There is therefore a need to identify other sources of funding for

The study will be focused on the Indo-Burma hotspot (which comprises all non-marine parts of Cambodia, Lao PDR, Myanmar, Thailand and Viet Nam, as well as parts of southern China).

Methodology

As a first step, a review of previous research on non-traditional funding sources and private sector engagement was

Funding from the private sector and development agencies occurs in all countries in the Indo-Burma hotspot. There appears to be opportunities for PES in most countries, though Myanmar and Cambodia do not yet have any of note. Crowdfunding for biodiversity conservation occurs in China, Cambodia, and Thailand, while financial incentives, such as tax breaks, exist in China, Thailand and Viet Nam. Particularly in China, there is the possibility for funding through green bonds. However, in none of the countries in the Indo-Burma hotspot do local state lotteries currently fund biodiversity conservation.

The countries with the most and least opportunities for leveraging non-traditional sources of funding for species conservation can be roughly identified through quantitative analysis, but social trends and cultural norms – analysed qualitatively – have been used to more thoroughly inform our recommendations.

With 21 notable funding sources and a total identified revenue of US\$ 86.4 billion from these sources, China presents the most apparent opportunities from a purely quantitative perspective. These sources are especially concentrated on contributions from the private sector and public utility companies

importance of private sector involvement in order to achieve the goals.

Drivers and incentives

The private sector's greatest incentive to fund conservation projects would be the enhanced reputational value, followed by the long-term benefits to the company's profitability. A company's image as environmentally-conscious could lead to more trust among consumers and a greater willingness to purchase the company's goods and services, and investing in environmental protection could secure long-term access to natural resources. This is especially crucial for companies in industries such as logging and fishing, as these resources renew themselves slowly and must be conserved if companies wish to take advantage of them in the future. According to SOS, some companies believe that supporting conservation will be perceived as 'greenwashing' and make the company seem insincere, bringing more risks than opportunities. The example is given of Swiss watch company Cartier, whose mascot is a leopard but who refuses to contribute to leopard conservation "for fear of animal rights activist groups responding with cynicism". This perception is clear and damaging, and must be taken into account when seeking private sector support.

In addition to the potential reputational enhancement (of which many companies will need to be convinced), supporting other conservation projects is an economical and expedient option for companies that have environmental targets. It is less costly and time-consuming for a company to do this than to carry out a conservation project itself, as it eliminates the need to hire experts for technical knowledge, conducting assessments and monitoring results. SOS found that companies want ownership of the projects to which their foundations are contributing, in the sense that they regard the

[Conservation and
Environmental Grants](#)

NGOs and individuals for
conservation, energy efficiency,
climate change and
environmental engineering

			China
Lao PDR	MMG Limited	100,000 – 1,000,000	Supporting biodiversity conservation in Savannakhet province as part of a biodiversity offset strategy for the Sepon mine
Myanmar	MGTC, Tanintharyi		

and corporate responsibility that is inherent in their operations. FTP is a technology and telecommunications firm whose Green IT project seeks to reduce their greenhouse gas emissions, and who have partnered with organisations such as WWF and the WCS to campaign against illegal wildlife trafficking. Spatial Decisions, a corporate design and planning firm, incorporates “green urban development” practices into its daily operations and supports climate change mitigation strategies. According to CEPF, they have sometimes collaborated pro bono with conservation organisations.

High net-worth individuals

Nerissa Chao, ASAP Programme Manager, highlighted that high net-worth individuals based in Singapore as well as multinationals with regional headquarters in Singapore might be good sources of funding for biodiversity conservation work in the Indo Burma region, as they have readily available funds and a growing interest in nature conservation. However, Chompan Kulnides commented that high net worth individuals in general may be reluctant to

Law. The Charity Law, which makes the criteria for NGO registration more rigorous and also allows domestic NGOs to take donations from the general public, may improve the attitude toward NGOs in China and encourage charitable donations in the future. The Overseas NGO Laws will heavily limit the donations that foreign organisations can receive from Chinese sources, which might present yet another opportunity for 'competing' local NGOs.

Thailand: According to the Income Tax Law, charitable donations made by individuals and companies are tax-deductible, but to a limited extent relative to many other countries. A deduction equal to the amount donated is allowed, but it cannot exceed 10% of all deductions. This may deter some very substantial donations and is, in effect, only a partial incentivisation.

and Viet Nam, PES schemes are already well-established; many schemes are also being piloted in Thailand. Examples of PES schemes are provided below.

Cambodia: PES in Cambodia are only provided by NGOs, and not by public utility companies or the government itself. A mechanism was discussed for Phnom Kulen, but never moved beyond the discussion phase.

China: Local governments and water utility companies in China's southwestern provinces provide payments for protection of water catchment areas.

Lao PDR: As part of a strategy to offset environmental degradation caused by their activities, which is another form of PES, the Nam Thoun 2 hydropower project funds the Nakai Nam Theun Watershed Management Authority, and The Theun-Hinboun Hydropower Company supports conservation in Bolikhamxay province.

Myanmar: There are no PES programmes through the government or public utilities in Myanmar,

indigenous and rural communities end up protecting that land and water by definition, as such groups rely on a pristine environment for their livelihoods. Organisations like UNFAO, whose projects support sustainable agri- and aquaculture practices, may also support the management of natural resources that are not necessarily cultivated but which nevertheless contribute to livelihoods.

A brief internet search for non-environmental development agencies supporting biodiversity conservation in Indo-Burma, as well as information provided by Jack Tordoff, yielded the following results.

Region/Countries	Organisation	Est. annual support (USD)	Description
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[American Jewish World Service](#)

Global/Regional

Viet Nam: Crowdfunding is growing fast, but it faces barriers because there are no specific laws governing it. The public is still sceptical, especially if the benefits of the projects are not immediately obvious (which is likely to be the case with rural conservation work).

legal standing. There exists little information on how this has affected the public's trust in NGOs, but the lack of certainty may also be leading to a lack of investment in NGOs for fear that they could be shut down for arbitrary reasons. ToSFUND, Cambodia's first crowdfunding platform, was launched in 2016 and has successfully funded a few projects, only one of which was related to conservation. Some important features of the site include allowing payment by mobile apps, ensuring payments are secure, transparency, and a focus on local as opposed to international donors. This is crucial in Cambodia, where transparency can be an imposing barrier to charitable giving (similar to Viet Nam).

The platform has hosted a total of 23 projects, only three of which have been successful in meeting or exceeding their targets. One successful project was an app which planned to integrate Khmer culture and environmental awareness-raising into an interactive story that people could download for free; the other two successful projects involved providing meals for students (each US\$ 1 contribution would feed one child) and providing support to new mothers in the first 1000 days of a child's life (each US\$ 250 contribution would support one mother and child). In the first case, the output was a tangible app that contributors would be able to use; their contributions could be categorised as an investment or even a purchase rather than charity. In the second two cases, the actual threshold for success was relatively low – \$1 in the first case, \$250 in the second – giving donors an immediate sense that they had substantially affected someone's life, even if the target was not reached, and even if the actual amount they were able to donate was not comparatively high. Initiatives such as these, where people are either purchasing a tangible reward or knowing that low risks return high rewards, provide a sense of security that may also allow low-income individuals to participate.

NGOs wishing to find support in Cambodia might have more success gaining support for individual, localised projects through platforms like ToSFUND than through large donations from corporations and high net-worth contributors.

Myanmar

seem to have rather generous lotteries, so there is a possibility they may be interested in supporting biodiversity conservation, especially since it

corporates. Based on this, it is safe to say that NGOs should consider investing in a fulltime staff or team to handle relationships with the private sector.

Opportunities with the private sector

The private sector entities on which NGOs should focus their efforts fall into three categories.

Category 1) C

success as it comes, so that donors remain engaged in the project. Engaged donors are more likely to share the organisation's social media posts and encourage their social circles to donate as well.

Distribution of these communications materials is best done on social media platforms such as Facebook and Twitter; according to Alter, "Twitter is nice for hype, Facebook is good for donations." Organisations should make ample use of both in order to cover both bases. Outreach posts on Twitter should include the handles of relevant media outlets, persons of note who may have a personal interest in the project (if possible) and other relevant organisations (for example, @IUCNAsia or @CommunityCEPF). Outreach posts on Facebook should go into more detail and should also include relevant tags, but will likely have a more narrow reach than posts on Twitter. Social media should be used before the campaign starts to attract prospective donors; during the campaign each time a milestone is past; and after the campaign, once the money has been spent on project implementation, so that donors know that their money has reached its intended destination.

While many of these overarching methods can be used by most NGOs in most Indo-Burma countries, it is vital that more detailed strategies for obtaining funding be tailored to the unique circumstances of each country.

Recommendations at the country level are provided below.

Breakdown according to countries

Cambodia

Overview

potential donors. Those with no private sector ties should target the many extractive companies in Lao PDR, as well as public utility companies,

increase the number of donors. NGOs should also seek out corporations according to the three criteria specified in the 'Across the region' section above, and target those whose executives have explicitly aligned themselves with conservation projects.

NGOs also have the option of partnering with or seeking funding from development agencies for projects that would benefit both local communities and the environment. As PES schemes are already in place, public utility companies may also be persuaded to pilot such programmes as offset or compensation strategies for their activities.

The primary crowdfunding platform, Asiola, is relatively successful, and could also be used by NGOs and CSOs to obtain funding. The criteria Asiola specified for a campaign's success are similar to those in Cambodia, China and Viet Nam: provide donors with tangible rewards and visible outcomes, minimise the risk that donated funds will not be used for their intended purpose, and invest in outreach and communications for the campaign in order to reach a wider audience.

Viet Nam

Overview

The culture of charity is strong in Viet Nam, though tainted by mistrust. The government provides incentive for companies (and individuals) to support conservation projects. The government provides incentives for companies (and individuals) to support conservation projects. The government provides incentives for companies (and individuals) to support conservation projects.

Limitations

Annex

Key stakeholders consulted:

ASAP	Nerissa Chao, Programme Manager
Asiola	Representative
CEPF	Jack Tordoff, Managing Director
Minor Group International	Chompan Kulnides, Head of Sustainability
SOS - Save Our Species initiative	Alessandro Badalotti, SOS Coordinator
Toyota	Yoshiaki Ishimoto, Vice President, Environment Management Promotion
Save Vietnam's Wildlife	Ho Thi Kim Lan, Education Outreach Manager

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