

Rationale and introduction to the concept

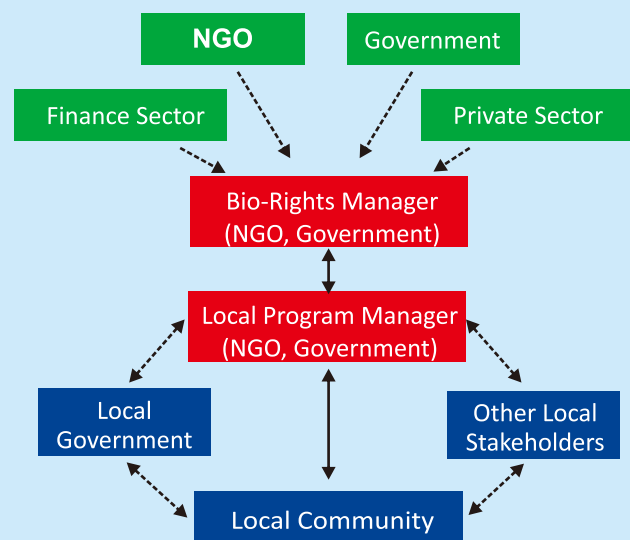
Poverty and environmental degradation often are strongly linked to each other. In many cases poverty leads to unsustainable exploitation of natural resources, whereas environmental degradation causes significant loss of nature's life supporting services. Many rural populations are caught in the so-called poverty trap: to meet basic livelihood needs and to avoid poverty they are 'forced' to systematically destroy the environmental goods and services on which they are so much dependent. They cannot escape from this trap without external financial incentives. As this downward spiral seriously compromises long-term development and future preservation of natural values, there is an urgent need for an integrated approach to poverty and environment issues.

Bio-Rights is a financial mechanism that assists in reconciling poverty reduction and environmental conservation in developing countries and countries in transition. Based on three simple but powerful steps it compensates the opportunity costs of local stakeholders for preserving environmental values that are of global importance:

- **STEP 1.** Local communities receive micro-credits for development of sustainable income generating activities.
- **STEP 2.** Communities don't repay their loan and associated interest with financial means, but instead pay interest in the form of conservation services, such as reforestation, habitat protection and alteration of unsustainable activities.
- **STEP 3.** Micro-credits are converted into grants and subsequently into community-based revolving funds for sustainable development, once conservation measures prove successful and sustainable.

THE FIVE STEPS OF PROJECT IMPLEMENTATION

1. Project initiation: A. Establish objectives of the buying partner & generate funds; B. Selection of project site & collection of baseline data; C. Building network of relevant stakeholders.
2. Project development: A. Contact the selling party and establish intent of cooperation; B. assessment of needs of selling partner; C. Initiation of participatory process (setting goals and plan development).
3. Legal and finance matters: Development of Bio-rights contract (setting payment conditions, rights and obligations).
4. Project implementation: A. Issuing micro credits; B. Initiating development initiatives and conservation measures; C. Providing technical support & building awareness.
5. Project evaluation: A. Monitoring project output (granting micro-credits based upon results); B. Issuing final payments (if any); C. Evaluating lessons learned.



Steps of project implementation (l) and organizational framework (r) of the Bio-Rights approach

The Bio-Rights Mechanism and Sustainable Management in Coastal Areas

Reconciling Poverty Allevation and Nature Conservation



Wetlands
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The Bio-Rights mechanism is a conditional business-deal that links the objectives and 'rights' of the global 'buyer' to a sustainable world to the resource rights of a local 'selling' partner. The global partner pays the local stakeholder for their environmental conservation services rendered in the form of sustainable development opportunities (access to micro-credits). The eventual conversion of the micro-credit into a communitybased revolving fund creates an incentive in the community to monitor the successful implementation of the Bio-Rights deal. This leads to a positive outcome at different levels; in the field, Bio-Rights helps to improve livelihoods and solve complex environmental issues. For global stakeholders the mechanism ensures the future existence of important environmental goods and services. Sustainable management of natural resources is increasingly important for governments and a whole range of actors in the finance, development and conservation sector. Bio-Rights might therefore be a promising tool for reconciling priorities and needs of global stakeholders with those of the rural poor.

Past, Present, Future

The Bio-Rights approach was developed by Wetlands International, Alterra (Wageningen University) and a number of partner organisations in the late 1990s. The approach was formulated as a response to complex social, environmental and economic issues encountered in the field, which proved to be difficult to solve through conventional natural resource management activities. Following initial success, the mechanism has been further fine-tuned through a number of small- and medium-scale pilot projects in South-east Asia and Africa by Wetlands International. But the Bio-rights approach is not to be 'claimed' by any partner working with the mechanism. It is an option available for all who are in need of a tool to reconcile livelihood issues and environmental conservation. However, the name should only be used when the mechanism's core characteristics are maintained.

Thorough evaluation is currently being performed to further improve the concept and to identify opportunities and constraints. At the same time new initiatives are started to further gain experience with the concept. An important step is to familiarise a wide range of stakeholders (NGOs, governments, private sector etc.) with Bio-Rights and to establish willingness to implement the approach on a larger scale. To accomplish this and to share insights between Bio-Rights projects, a workshop programme has been developed. The Bio-Rights concept is also presented within Training of Trainers (ToT) courses

under Wetlands International's Wetlands and Poverty Reduction Program. This enables a large number of (African) policymakers and managers to get acquainted with the concept. To raise the scope of the mechanism, a Bio-rights fund will be developed. This fund intends to be operational within a few years time. See www.Bio-rights.org for more information.

Why Bio-Rights?

- Unsustainable practices resulting from poverty are a driving force behind nature degradation, climate change and biodiversity loss.
- Environmental degradation in turn leads to loss of natural resources and poverty.
- The negative loop of poverty and nature degradation causes increasingly severe social and environmental problems and economic losses at international scale.

An integrated multi-sectoral approach is needed to solve these problems. Bio-Rights is a tool to accomplish this.

Advantages & gains

Bio-Rights' integrative approach brings along a range of distinct advantages: it sustainably improves livelihoods of local communities and at the same time safeguards nature's environmental goods and services for future generations. The mechanism also builds awareness among local stakeholders with regard to sustainable natural resource management. As such Bio-Rights unifies the priorities and needs of local communities, conservationists, development organisations, governments and the corporate and finance sector.

For whom?

The approach is of interest to all stakeholders that deal with people or natural resources. The concept might directly suit the business needs of the **corporate sector**. It might as well comply with corporate responsibility and global obligations such as reduction of greenhouse gases. For **governmental bodies** it might be a tool to combat large-scale problems such as climate change and biodiversity loss and to target objectives stated in the UN Millennium Development Goals. For **conservation and development organisations**, Bio-Rights provides an innovative multi-sectoral approach to complex socio-environmental issues.