



Credits for Sustainable Development in Biosphere Reserves (in Latin America)

Konstanze Schönthaler and Sigrun Lange

Presentation prepared for the partner event hold at the III World Congress of Biosphere Reserves "Biosphere Future", Madrid, February 7 2008

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Biosphere reserves: "model regions for sustainability"

The Seville Strategy invites Member States to "Utilize biosphere reserves as models of land management and of approaches to sustainable development" (Goal II).

UN Decade of Education for Sustainable Development (from 2005 to 2014, under the leadership of UNESCO) is seen as an "opportunity to demonstrate the added value of biosphere reserves to sustainable development".

But: The Working Group on "Biosphere Reserves as Models for Land Management and Approaches to Sustainable Development" (established 2000) noted that "**much remained to be done before any biosphere reserves can be considered as fully ideal and functioning models for sustainable land management**".

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Why this gap between vision and reality?

Manifold reasons:

- Lack of resources (man power, capacities, financial resources)
- Information deficits or lack of interest of the resident people
- Lack of political support in the region
- Insolvable conflicts of interests



Example from Austria

Crucial issue: Secure the support and involvement of local people

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

How to satisfy and involve local people?

Manifold options:

- Transparent flow of information
- Possible participation in the decision-making process
- Highlighting the chances and benefits for the region opened up by the UNESCO label, e.g. eco-tourism, marketing of eco-friendly products from the region, etc.

Crucial issue: If the most relevant interest groups in the region realise that they are able to benefit from the biosphere reserve, they will support and vitalise the set priorities. The formerly "affected" stakeholders will become "involved" in the process.

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

How credits could support sustainable development?

Taking the initiative often calls for investment in the region:

- Own funds from groups or companies in the region
- Financial support from foundations, NGOs (donations)
- Credits as assistance to realise own business ideas and visions

Credits (especially for those who do not have access to regular bank loans) are widely seen as an **effective instrument to empower people for self-help and self-reliance**.

Credits foster the **development of self-supporting (financially sustainable) initiatives**. Thus, projects financed by credit do not end when the financial input has been stopped.

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Target group of the proposed initiative

Do you ...

- ...live or work in a biosphere reserve?
- ... (or your organisation) have concrete business ideas supporting the (ecological) sustainable development of your region?
- ...face limitations due to lack of financial resources for the realisation of your business idea?

Then you might be interested in our initiative

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

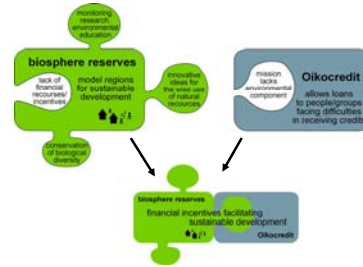
The initiative wants ...

- ... to promote credits as development instrument in biosphere reserves (as an alternative to donations),
- ... to support projects putting into practice a sustainable development by facilitating access to credits,
- ... to bring biosphere reserves in contact with Oikocredit, a world wide operating ethical investment fund
- ... to strengthen the network of biosphere reserves and the credibility of the MAP programme

© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Merging two promising concepts – by bringing UNESCO biosphere reserves in contact with Oikocredit



© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Who is Oikocredit?



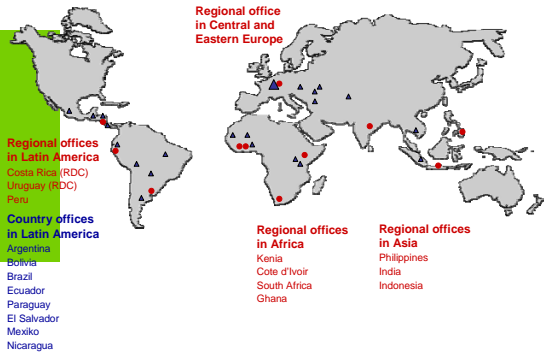
- Oikocredit, as an international cooperative society giving credit to organised groups or persons not having access to money from conventional finance institutions.
- Oikocredit works in a worldwide network of more than 600 institutional and 28,000 individual investors and more than 600 recently active project partners all over the world.
- Oikocredit operates a network of 11 Regional and 21 Country Offices, staffed with local personnel.

The initiative wants to focus Oikocredit's activities on biosphere reserves.

© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

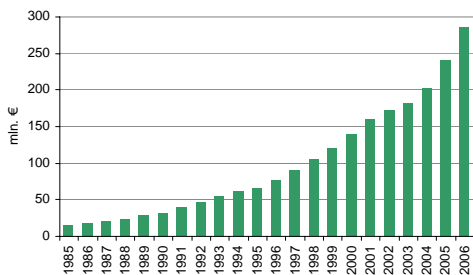
Worldwide Network of regional and country offices



© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

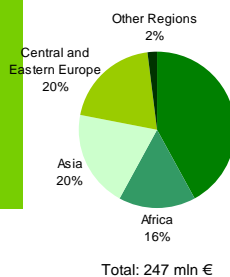
Continuously increasing share capital of Oikocredit



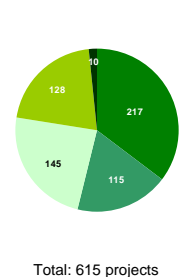
© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Capital invested (31.08.2007)



Number of projects (30.06.2007)



© Copyright Schönrhainer/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Project funding criteria of Oikocredit

Projects must create jobs and income for groups of **disadvantaged people**, mostly in **developing countries**.

Oikocredit finances foremost **cooperatives** and **finance institutions** but also, to a lesser extent, small and medium-sized enterprises,

Projects are favoured where **women** are influential in management and/or implementation.

Environmental implications of projects as well as **animal welfare** are issues of special concern

Only projects that are or can soon become **financially sustainable** and have suitable management in place.

There must be a clear **need for foreign investment** which can be provided within terms that can secure the necessary government approvals and that are beneficial to the project partners.

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Oikocredit differs from other finance institutions in..

- allowing credits to organised groups or persons who do not have access to money from conventional finance institutions as they cannot offer 100% guarantees,
- allowing credits for a long period (5 to 10 years), despite less guarantees through the borrower and without additional costs or commissions,
- allowing credits for micro credit institutions AND directly for project partners,
- providing technical assistance if necessary,
- offering a transparent process and relatively little bureaucracy while approving and disbursing loans.

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Which are the work steps of the initiative?

- Acquainting residents of biosphere reserves with Oikocredit
 - ⇒ (1) **Information campaign**
- Identifying suitable business ideas in biosphere reserves (preferably pilot projects in Latin America) and implementing the cooperation between biosphere reserves and Oikocredit
 - ⇒ (2) **Testing and Implementing the cooperation**
- Critical reflection of the process, identifications of success stories, public relation activities
 - ⇒ (3) **Transferring the initiative**

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

(1) Acquainting phase

- Making the MAB-Programme of UNESCO and interested managers of biosphere reserves aware of the possibilities offered by Oikocredit
- Introducing Oikocredit to the network of biosphere reserves and its specific functions, objectives, deficits and needs

Key players

- Konstanze Schönthaler, Bosch & Partner GmbH (www.boschpartner.de)
- Sigrun Lange, ECO Germany i.Gr. (www.e-o-o-deutschland.de)
- Financially supported by the Heidehof Foundation (www.heidehof-stiftung.de)

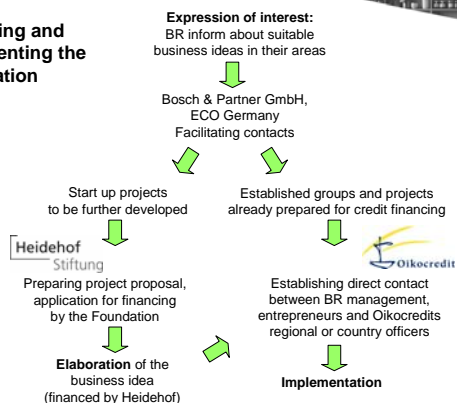
Activities

- Nov. 2007: Meeting with Oikocredit Regional and Country Managers of Latin America and with MAB officers
- Dec. 2007: Contacting BR managers in LA (distributing flyers by Email)
- Feb. 2008: Partner event at the Madrid Congress
- Spring 2008: Collecting expressions of interest of the biosphere reserves

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

(2) Testing and implementing the cooperation



© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

(2) Testing and implementing the cooperation

- Identifying and specifying concrete business ideas (ideas should support the managing objectives of the respective BR!)
- Facilitating direct contacts (entrepreneurs, Heidehof Foundation, Oikocredit)

Key players

- Bosch & Partner GmbH, ECO Germany
- Heidehof Foundation
- Regional and country managers of Oikocredit
- Organised groups in biosphere reserves (supported by the management)

Activities

- Summer 2008: Workshop in Central America for intensifying contacts, exchange of experiences (Interested entrepreneurs, BR managers, Oikocredit representatives, current Oikocredit project partners)
- Implementation of business ideas financed by credits

© Copyright Schönthaler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Examples for potential business ideas

- Establishing land use systems and agricultural and forestry practices ' (e.g. agroforestry, home gardens or silvopastoral systems) aiming at conserving soil fertility, controlling erosion or protecting biodiversity
- Supporting the use of renewable energy, amongst others to avoid further deforestation and to contribute to climate protection
- Making use of no-timber products, medical plants or so far under-utilised crop plants traditionally used for food, fibre, etc.
- Environmental education activities
- Creating local (or even international) markets for regional products produced in a sustainable way (creation of labels)
- Ecotourism to capitalise natural and diverse ecosystems (e.g. bird watching for ornithologists)

© Copyright Schürhahler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

(3) Transfer phase

- Evaluation and critical reflection of the process
- Identification of success stories
- Public relation activities aiming at addressing new investors of Oikocredit specially interested in environmental issues
- Interesting biosphere reserves in other regions in establishing similar contacts with Oikocredit

© Copyright Schürhahler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008

Why focus on Latin America as pilot region?

- Meanwhile 101 biosphere reserves exist in 19 Latin American countries (Sept. 2007).
- In the last three years (2005-2007) 29 new biosphere reserves were nominated in Latin America (whereof 19 emerged only in Mexico)
- Amongst the regional MAB networks, IberoMAB (Spain and Latin America) is one of the most active ones (yearly meetings, well structured).

Argentina	13 (2)
Bolivia	3
Brazil	6 (1)
Chile	9 (2)
Colombia	5
Costa Rica	3 (1)
Cuba	6
Dom. Rep.	1
Ecuador	4 (1)
El Salvador	2 (2)
Guatemala	2
Honduras	1
Mexico	35 (19)
Nicaragua	2
Panama	2
Paraguay	2 (1)
Peru	3
Uruguay	1
Venezuela	1
Total	101 (29)

Black numbers: Total number of BR
Green numbers: New BR (2005-2007)

© Copyright Schürhahler/Lange 2008

III World Congress of Biosphere Reserves – Madrid – February 7 2008