

## Editorial

*The global loss of biodiversity and its effect on human welfare is receiving increased attention. At around 220 million euros for financial and technical assistance in the forest and biodiversity sector, Germany currently is the second largest bilateral donor.*

*From its very beginnings, GFA took on biodiversity conservation in natural resources management, particularly in numerous protected area projects implemented worldwide. We were among the first companies to learn that our expertise works best when complemented by economic and political considerations. In economic thinking today, biodiversity has a use value and a price so that the global community has to think about financial mechanisms to provide equitable remuneration to those who conserve its ecosystem functions.*

*GFA is active in all fields relevant to biodiversity: protected areas, climate change mitigation and adaptation, REDD+, Access and Benefit Sharing (ABS) etc. The debate on the economic costs caused by biodiversity losses resulted in biodiversity preservation now playing a role in some of our other strategic business fields such as the promotion of Green Economy, good governance or agro-biodiversity for food security.*

*This newsletter's main article highlights GFA's concept regarding the preservation of ecosystems by valorizing biodiversity with references to climate change adaptation and non-timber forest products. The second contribution is about communicating biodiversity in a strategic and participatory way.*



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## Preserving Ecosystems by Valorizing Biodiversity

**Once in a while, shocking headlines about species extinction draw our attention to alarmingly high worldwide loss rates of biodiversity. In the run-up to the UN Rio +20 Conference this year, the loss of biodiversity is declared one of the core challenges to reaching the sustainable development goals set 20 years ago in Rio. A year after the United Nations started its international decade of Biodiversity in 2011, the European Union issued a Biodiversity Strategy to halt the loss of biodiversity and ecosystem services in Europe by 2020. Hence, the topic receives increased attention. But is the protection of biodiversity really so crucial to human survival, sustainable development and climate change adaptation after all?**

The importance of biodiversity is mainly linked to its fundamental role played in ecosystems. Significant linkages exist between changes in biodiversity and the ways in which ecosystems function. The different levels and aspects of biodiversity contribute directly and indirectly to goods and services provided by ecosystems. The International Union for Conservation of Nature (IUCN) defines biodiversity as the variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems, and the ecological complexes of

which they are part. This includes diversity within species, between species, and of ecosystems.

Biodiversity is providing people with numerous benefits, which many describe as the very basis of human life. These benefits encompass provisioning services or goods such as food, fiber or fresh and clean water. They cover regulating services for ecosystem processes such as climate regulation, non-material cultural services like recreation and supporting services that are necessary for the delivery of other ecosystem functions and benefits such as oxygen production or water cycling and purification.

Despite of this acknowledged contribution of biodiversity to human collective welfare, the international community has not been successful to bring the loss of biodiversity to a standstill. So far, the economic value of ecosystem services is often not reflected in policy and decision making. In its resolution on the EU 2010 Biodiversity Strategy of April 2012, the European parliament estimates that 3% of GDP is dwindling away due to the loss of biodiversity and its related services. This equals the considerable amount of 450 billion euros per year.

*Traditional use of forest products in Azerbaijan*



## Preserving Ecosystems (continued from page 1)



*Biodiversity at its best in the Samur-Yalama National Park in Azerbaijan*

Economic valuation of biodiversity creates awareness about the economic costs to society caused by loss of biodiversity. Biodiversity values are becoming measurable and can also be communicated more easily. Hence, valuing biodiversity aims at generating monetary value for these non-market goods and as a result reach an incorporation of biodiversity into policy and markets, which in turn enhances biodiversity conservation. It is quite obvious that the more tangible values of biodiversity which are linked to their direct or indirect use are much easier to assess as they relate to concrete products such as non-timber forest products or “miracles of nature” as tourist attractions. On the other hand, the quantification of non-use values related to ecosystem functions such as the avoided damage from climate change or more ethical values of biodiversity such as the value of preservation of a rare species remains challenging.

The TEEB initiative (see Box on page 3) addresses the urging question of how to valorize such non-market goods and services. It provides economic tools to define the value of ecosystem services also in a project context. Economic valuation becomes increasingly important in GFA’s daily work. GFA services in this new field often comprise policy advice on introducing regulations that foster payments for ecosystem services on the national level. Other initiatives support nature conservancies or protected area administrations or implement payment schemes for ecosystem services at the regional level. At the local level, very specific measures for valorizing biodiversity products are implemented as outlined in the section

below on non-timber forest products, often incorporating market information links.

### **Biodiversity conservation as a means for climate change adaptation**

In the context of climate change, the preservation of biodiversity is becoming even more important. By increasing the resilience of ecosystems, biodiversity is considered to buffer climate change induced shocks to ecosystems and livelihoods. For example, GFA and Ecoconsult were recently commissioned by the GIZ SilvaMediterranea project to support the Ministry of Agriculture of Lebanon in the development of a case study on the role of forest goods and services (FGS) in the adaptation to climate change at the local level. Based on an analysis of predicted climate change impacts on livelihoods and ecosystems in the target region, the study looks at which FGS are best suited for increasing economic, social and environmental resilience. The assessment of FGS that have a potential buffering effect on negative climate impacts are a basis for future interventions in the pilot region.

### **Valorizing non-timber forest products**

Integrating local economic development approaches into conservation initiatives has proven a successful way of valorizing biodiversity. Thus, such approaches contribute to reducing poverty, enhancing ownership and, as a result, decreasing pressure on protected areas and biodiversity. Since January 2006, GFA in cooperation with GIZ, World Conservation Society (WCS) and Worldwide Fund for Nature (WWF) has been providing technical assistance to the Ministry of Wildlife and Forestry in establishing and manag-

ing three national parks in Cameroon. Improving park management by scaling up non-timber forest product (NTFP) production and marketing is at the focus of the project. Based on an appraisal of the production system and marketing conditions, a strategy for valorizing NTFPs as a sustainable way of valuing biodiversity was conceived. It became evident that NTFPs constitute an integral part of the local economy, especially for women. While wholesalers and retailers often realize high profits, smallholders collect a small share only. Low production rates, inadequate and unreliable market access and an intransparent market information system are inherent constraints in the NTFP value chain. The GFA team of experts aims at increasing yield rates by rolling out successfully tested NTFP domestication techniques and enhancing harvesting methods. Integrating NTFPs on farmland results in maintaining traditional agroforestry systems, which are often rich in biodiversity. The project will work in cooperation with legitimate private actors as to help farmers develop reliable market information links. Given the volatile market of NTFPs, adapted finance schemes and improved storage facilities will put market actors in place to participate in the more profitable off-season market. This will provide for lower price fluctuations and a decreased risk of market saturation. Ultimately, this trend will contribute to a more equal distribution of proceeds from NTFP sales and a valorization of biodiversity at the farm level.

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## Communicating Biodiversity

**Beyond the expert community, does anybody understand what biodiversity is really all about? Many organizations realize that related programs often have limited success because stakeholders seem not to appreciate biodiversity values or are skeptical about the ownership of the benefits biodiversity conservation or valorization may offer.**

What program managers say is not necessarily heard, understood, approved and acted

### The Economics of Ecosystems and Biodiversity

The Economics of Ecosystems and Biodiversity (TEEB) study is a major international initiative to draw attention to the global economic benefits of biodiversity, to highlight the growing costs of biodiversity loss and ecosystem degradation, and to draw together expertise from the fields of science, economics and policy to enable practical actions moving forward.

TEEB highlights the growing costs of biodiversity loss and ecosystem degradation, and clarifies the link between nature, the ecosystem services it provides, and the role these services play in our economies.

The objective of the TEEB initiative is to create awareness about the real value of biodiversity and ecosystem services by providing economic tools and policy recommendations. Based on case studies and systematized examples, it wants to mainstream resource economics into different policy sectors.

The TEEB study consists of a series of reports for distinct end-users, namely

- ecologists and economists (TEEB D0),
- international and national policy makers (TEEB D1),
- local and regional policy (TEEB D2),
- business (TEEB D3),
- citizens (TEEB-D4).

[www.teebweb.org](http://www.teebweb.org)

upon by the people concerned. People are influenced by emotions and socialization as much as by reason and knowledge. They do not easily change their behavior as a result of one-way information dissemination or a quick fix. Two-way communication towards shared meaning and win-win situations are more promising as they allow for public participation in community media the people themselves can engage in.

More and more decision makers incorporate participatory communication strategies in their environmental and biodiversity programs since GTZ Rio+ and IUCN published related toolkits in recent years based on a systematic and step-wise approach ([www.giz.de/Themen/de/25082.htm](http://www.giz.de/Themen/de/25082.htm)). Here, practical questions are addressed: How to identify relevant stakeholders? How to select appropriate media? How to design convincing messages? Which communication approaches do best help stakeholders make informed choices? In that context, communication is a management tool providing missing links between the subject matter of biodiversity and environmental issues and the related socio-political processes of policy making and public participation. Information alone is not a missing link between a problem and a solution. It is communication and learning which turns information into knowledge and innovation. Hence, even the most sophisticated

communication strategy will not work if economic resources, social organization and political bargaining power are not in place. This is why a biodiversity program should use strategic communication in combination with other, equally important tools such as market-based instruments or good governance practices.

GFA at work employs strategic communication approaches along those lines. For example, the Biodiversity Monitoring project in Brazil that GFA experts started in early 2012 on behalf of GIZ links stakeholder participation, market information and biodiversity knowledge management systems. Backstopping services can rely on expertise gained from advising international communication strategies on biodiversity and Access and Benefit Sharing (ABS). Management information systems and other IT instruments have been developed by GFA SysCom and GFA B.I.S., e.g. for the park management of the Pendjari project on behalf of GIZ in Benin or reforestation projects on behalf of KfW Entwicklungsbank in China. In all cases, communicating biodiversity is not only about legal, financial or technical issues but also about partnerships and win-win situations between North and South, business and nature conservation.

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Biodiversity cartoon from Indonesia warning against one-sided perspectives

### **C<sup>3</sup> for Ukrainian Public Utilities**

A training-of-trainers scheme developed by the C<sup>3</sup> Training Unit of GFA will contribute to the improvement of public services in the waste, water and sanitation sector in Ukraine. The development of training modules started in November 2011 after consultations and a training needs assessment with public utilities and the local oblast administration. Based on the C<sup>3</sup> training methodology, materials were designed for trainers who will replicate the training modules. The latter comprise session outlines, case studies and technical background material. Regional training institutes such as the Centre for Postgraduate Studies in Lugansk were actively involved in the process in order to ensure sustainability, local institutionalization and replication. By now, a pool of Ukrainian trainers has been selected and trained in several C<sup>3</sup> training courses. By the end of the program, they will be capable of offering high-quality training services for representatives of public utilities and administrations. The training activities will be continued as part of the Improvement of Municipal Services project financed by GIZ which aims at enhancing good governance and improving public service delivery.

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### **DSW Assigns GFA B.I.S. for SunSystems Implementation**

Deutsche Stiftung Weltbevölkerung (DSW) has contracted GFA B.I.S. for the implementation of Infor10 Financials Business (SunSystems) at DSW headquarters in Hanover, Germany and its country offices

in Ethiopia, Kenya, Tanzania and Uganda. DSW is an international development and advocacy organization. The non-governmental organization empowers young people and communities in low- and middle-income countries by addressing the issues of population dynamics and by improving health as a way to achieve sustainable development. DSW aims at preventing poverty before it occurs. The organization's focus is on achieving universal access to sexual and reproductive health and rights information, services and supplies. This is regarded fundamental to improving health and effectively fighting poverty. The mentioned country offices will be fully integrated into the DSW financial management system which totals twelve SunSystems users. The system includes multi-currency, advanced data analysis and online reporting, and it takes local accounting requirements into consideration.

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### **Colombian Delegation Studies CSR**

From 22 to 25 May 2012, a delegation of high-ranking private and public sector decision makers from Colombia caught up on corporate social responsibility (CSR) in Belgium and the Netherlands. The study tour was organized by GFA as part of the EU-financed Trade-Related Technical Assistance for Colombia Project which aims at reducing technical barriers to trade. Among the participants were the Colombian vice-minister for business development, the OECD contact point, and high representatives of private sector associations, at times accompanied by GFA experts. The delegates learned about

best practice approaches in CSR so that they can draw conclusions when promoting the formulation of a CSR public policy in their own country. Highlights of the agenda were meetings with representatives at the European Commission in Brussels. Sessions at the Dutch Ministry of Economic Affairs, Agriculture and Innovation in Den Haag complemented the tour. During many lively discussions, the Colombian delegation demonstrated to be on the road to success in CSR – not least due to GFA services in this field.

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### **Sanitation, Public Health and Wellbeing**

Sanitation is not rocket science – but in many ways it is more difficult because it is about understanding what motivates people to act in a particular manner and finding ways to change existing behavior patterns. Hardware is important as people need sanitation facilities and environmental infrastructure. But it should be understood in the context of the full range of services which should be deployed to meet peoples' needs and increase access to basic services. GFA has gained extensive experience in developing and implementing holistic concepts related to improving sanitation as well as institutional development. A recent newsletter by GFA's Water & Sanitation Department provides an overview on projects implemented in Vietnam and Kenya. GFA believes that traditional service providers need to be supported and more actors have to be encouraged to enter the market innovation and pragmatism for needs-based solutions.

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