CASE STUDIES OF TRUST FUNDS IN CENTRAL AFRICA
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CENTRAL AFRICA - OVERVIEW

- Bwindi & Mgahinga Trust Fund (Uganda)
  - Equitable sharing of costs and benefits for local communities?
- 3 Conservation Trust funds in Cameroon
  - Transnational Sangha Trust Fund (Cameroon, CAR, Rep. of Congo)
  - Cameroon Mountains Conservation Fund (CAMCOF)
  - FEDEC (conservation compensation trust fund for Chad-Cameroon oil pipeline)
- Conclusions and lessons learned from these four trust funds in Central Africa

Acknowledgment to Phil Franks (CARE) for data/statistics (Uganda)
Bwindi Impenetrable Forest National Park (1)

- Size: 33,000 ha
- Located in Uganda on the south-west Uganda-DRC border; gazetted as Forest Reserve in 1932, as game/forest reserve in 1961, to become a national park in 1991
- Vegetation: highland tropical moist forest (altitude ranging from 1,100 to 2,600 m.)
- Very high biodiversity (plants, > 300 species of birds, 90 species of mammals, 11 species of monkeys, including chimpanzees and a population of 320 mountain gorillas
- 100,000 people living in the direct surroundings of the park (population density of 300 people/km²)
- In the past high pressure for natural resources (land, wood, NTFPs), leading to conflicts and extinction of large mammals (elephants, buffaloes)
Bwindi Impenetrable Forest
National Park (2)

- Since 1985 support by donors (US/NL) and conservation NGOs: integrated conservation & development projects
- Park Management Plan developed over a 2-year period and approved in 1996; however, implementation hampered by lack of government funds (recurrent and capital investment budget) despite high income
- Park zoning: tourism zone, research/protection zone; multiple use zones
- Multiple use zones inside the Park, where certain NTFP harvesting by local communities is allowed
- Potential tourism income from gorilla visits up to 4 Million US$ per year
- 20% of tourism revenue (by-law) for local communities (80,000 US$ in 2006)
Mgahinga National Park

- Mgahinga National Park is a very small park and part of a triangle of three NPs (Uganda, DRC, Rwanda); it also has a small population of mountain gorillas
- Similar history as Bwindi National Park (Forest and Game Reserve, and later gazetted as a National Park)
- Until early nineties illegal encroachment for agriculture, and extensive use of the parks natural resources by local communities (high population density combined with poverty)
- Limited gorilla tourism due to only one available gorilla group moving between three countries
- Revenue sharing, multiple use zone, water development scheme for communities using water source in the Park
Costs of these protected areas for local communities

- Reduced/lost access to forest resources
- Reduced/lost access to cultural sites
- Crop damage by wildlife
- Restrictions on road development
- Labour input to assist PA management
- Lost opportunity to convert to agriculture
Benefits of these protected areas for local communities

- Water availability
- Availability of non-timber forest products
- Employment
- Tourism-based enterprise
- PA-related projects supporting agricultural production and income generation
- Tourism revenue sharing
- Bwindi & Mgahinga Conservation Trust Fund
Costs to Local Communities versus PA Authorities:

Lake Mburo NP in Uganda

- Management cost to Uganda Wildlife Authority $370,000
- Total benefits to Local Community $230,000/year
- Total costs to communities $700,000/year
- **Net** cost to communities $470,000/year
- Cost to communities > cost to the PA Authority
  - also likely to be the case in Bwindi and Mgahinga NPs

Adapted from: Sustainable Financing of Protected Areas (IUCN, 2005)
Mountain Gorilla Protected Areas (DRC, Rwanda, Uganda)

Distribution of forest benefits & costs

US$ millions per year

- Local net loss* = -11.7
- National gain** = 12.2
- International net gain*** = 195.9

Local net loss* National gain** International net gain***
Bwindi & Mgahinga Trust Fund
Bwindi & Mgahinga Conservation Trust Fund – background (1)

- Plan for trust developed in 1990; trust established in 1994 under Ugandan law; activities started in 1996
- Goal: strengthen conservation through support for park management and research, as well as through support for local community projects and alternative income
- Starting capital with GEF/WB grant of 4.3 Mo US$, up to 7 Mo US$ in 2006
- Fund's capital invested internationally by a UK firm
- Running costs and activities provided by USAID (2 years: 0.9 Mo US $) and DGIS (subsequent 5 years: 2.9 Mo US$)
- Board of 9 voting members plus a chairman (mixed Ugandan/international); local community steering committee; technical advisory committee; trust administration unit
Bwindi & Mgahinga Trust Fund – background (2)

- Trust administration unit consists of 5 technical staff (administrator, 2 extension workers), plus support staff.
- Distribution of generated income from the trust: 60% for local communities; 20% for park management; 20% for research.
- In 1996 4,750 community project proposals submitted, ranging from road and social infrastructure construction to farming and livestock enterprises.
- Subsequent decision by Local Community Steering Committee (LCSCN) to develop a refined system of criteria for the selection of projects.
- Initial focus on financing of infrastructure benefiting entire communities plus a limited number of income generating projects.
Selection of projects by LCSC and trust administrator (board and technical advisory committee only co-decide for projects above a certain financial ceiling)

Between 1996 and 2000 about 50 community projects (mostly schools & health centres) up to 15km from the national park were financed

Direct local implementation of community projects

Total funds disbursed for community projects between 1996 and 2000: 250,000 US$

Support for park management (equipment, meetings, infrastructure, training, boundary demarcation)

Support for park management related research
Support for the construction of school facilities
Support for local women & minority groups and income generating activities
Bwindi and Mgahinga Tourism Revenue Sharing:

- Funds derived from gorilla tourism revenue
- Between 1996-2000 19 community projects (schools, health centres, roads) up to 5km from PA were funded
- Total funds disbursed: 76,000 US$ (average of $4,000 per project)
- Implemented by the PA authority with NGO support

- In addition private sector (gorilla tourism) not only provides local direct and indirect employment, but in some cases also finances community projects
Percentage of people citing factors causing decrease in illegal activities

- Law enforcement
- Agricultural improvement programmes
- Trust support for community projects
- Tree & Bamboo Planting
- Community benefits from tourism
- Access to forest resources
- Revenue sharing
- Conservation education/awareness
- Gravity water scheme (Mgahinga)
- Batwa resettlement
- Problem animal control
- Park-related employment
- Other reasons
- Don't know
Percentage of people citing factors causing improved attitudes

- Agricultural improvement programmes
- TRUST support for community projects
- Revenue sharing
- Community benefits from tourism
- Access to forest resources
- Tree & Bamboo Planting (i.e. substitution)
- Park-related employment
- Conservation education/awareness
- Problem animal control
- Law enforcement
- Batwa resettlement
- Gravity water scheme (Mgahinga)
- Reduced illegal activities
- Rangers allow resource access
- Park improved security
- Access to micro-funds
- Other reasons
Distribution of Costs and Benefits within Communities

- Poorer households are more dependent on PA resources and more impacted by restrictions on access.
- Benefits from BMTF relatively evenly distributed relative to other ICD project interventions.

**Extent of Benefit from MBIFCT Projects among Wealth Categories**

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<tr>
<th>Wealth Categories</th>
<th>No benefits (% benefiting)</th>
<th>Benefits (% benefiting)</th>
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*Chi square = 0.89, df=3, p<0.827*
Investment in social infrastructure proved successful in terms of conservation (contrary to ICD project experience).

Revenue sharing initially more cost effective (more conservation per $) because of stronger linkage to PA \textit{BUT has run into problems as linkage to conservation weakened by increasing role of local government}

Trust fund could have more conservation impact if more focused on people most affected by the PA

Despite small funding levels these incentive mechanisms can make a substantial contribution to conservation and equity \textit{if carefully targeted}. 
Sangha Transnational Trust Fund (Tri-Nationale de la Sangha, TNS)

- Conservation Trust Fund for three adjacent transboundary protected areas: Lobeke National Park in Cameroon, Dzanga-Sangha National Park in CAR, Nouabale Ndoki National Park in the Republic of Congo
- Lengthy and expensive multi-stakeholder process of 5 years (2002 – 2007) (meetings, workshops, studies, consultants)
- Political support from COMIFAC (commission of forest ministers of 10 Central African States)
Sangha Transnational Trust Fund

- Difficult legal process: most francophone countries without legal provisions for a trust fund (civil law)
- Funding of Trust Fund from different sources:
  - WWF – Germany / Krombacher Environment fund: 3.2 Mo €
  - KfW (German taxes) 5 Mo €
  - AfD (French taxpayer): 3 Mo € (not yet confirmed)
- Operational by August 2007 (executive director in place)
CAMEROON CONSERVATION FUND (CAMCOF) (1)

- Conservation trust fund set up to promote and finance cultural, educational and scientific activities for conservation of biodiversity and natural resources in the Cameroon Mountain region (South-west and North-west provinces of Cameroon)
- Initiated as an exit strategy for the closure of the DFID Mount Cameroon project
- Because of legal difficulties CAMCOF was created as a national association in 2001, and eventually granted public benefit status
- A USA utility company was identified as a potential private sector donor for the trust fund, while GEF would match this potential donation
But in the end to date no donor has been willing to invest in this trust fund!!

DFID itself was not allowed to invest in the trust fund but provided the development costs for the start-up and the activities of the trust fund (450,000 €)

Board & administration were put in place with DFID funds before fund itself was financed and operational

During this start-up period lack of transparency in selection of community projects (flawed participation by local community organisations) and few executed projects

Governance issues and high administration costs
Lessons learned from CAMCOF

- Secure funding of trust fund before putting in place of administration unit
- Cameroon mountain region too large/diverse with too many different actors; lack of mentorship by and support from an international conservation NGO
- Ensure board members are well selected and truly represent stakeholder interests (so-called civil society board members are in fact retired or acting forest administration staff members)
- Clarify and separate roles of Board Chairperson and Administrator; ensure human resource conflicts can be addressed in time
- Restrict budget for administration costs (staff salaries, travel, recurrent costs)
Cameroon Environment and Development Foundation (FEDEC)

- Small trust fund (sinking fund) developed to compensate for negative conservation impact of the Chad-Cameroon oil pipeline (targeting two national parks in Cameroon)
- Set up in 2001 within 6 months under pressure from international conservation NGOs on World Bank (co-funding agency of the oil pipeline)
- Fund financed with 3.5 Mo US$ (very low compared to cost of construction of oil pipeline, and of needed investment for management of a large new PA) funded by oil company consortium COTCO
- Dutch Foundation with a Cameroonian Board
- Funds disbursed through international conservation NGO’s (WWF in Campo Ma’an NP, WCS in recently created Mbam-Djerem National Park)
- Governance issues and high administration costs
General lessons learned (BMTF, TNS TF, CAMCOF, FEDEC) (1)

- Trust Funds are a useful finance mechanism for protected area management and conservation, but there are various aspects to take into account in order to be successful.
- Long and expensive preparation period of 3 – 5 years, and an average preparation cost of around 300,000 US$.
- Provide for separate funding of operational costs during start-up and first operational years.
- Legal difficulties particular in French speaking countries where trust fund concept does not exist.
- Need for diversification of funding mechanisms (projects, revenue sharing, government budget, private sector, etc.).
- Provide for mentorship or technical support from international NGO’s.
General lessons learned (BMTF, TNS TF, CAMCOF, FEDEC) (2)

- Tailor fund objectives and distribution of income to conservation and community needs (balance between costs and benefits of protected areas)
- Ensure capacity building with the development and implementation of PA management & business plans
- Ensure multi-stakeholder participation, as well as capacity building of local communities, local government and protected area agencies
- Provide for mechanisms to reduce the risk of misappropriation and corruption
Thank you for your attention