



ACCELERATING NATURE-BASED SOLUTIONS IN COMMUNITY-LED BUSINESSES ANALYSING MOMO4C CASES

Communities hardest hit by the impacts of climate change, often contribute the least to the causes behind it. In addition, they often lack resources to adapt to the impact of climate change. Mobilising More for Climate (MoMo4C) develops locally-led nature-based solutions that have the potential to develop into an investable business enterprise. Such initiatives are crucial to scale up the alignment of climate and biodiversity action in collaboration with all relevant actors at the landscape level: governments, investors, entrepreneurs, NGOs, and community organisations.

NATURE-BASED SOLUTIONS THROUGH INTEGRATED LANDSCAPE MANAGEMENT

MoMo4C uses an integrated landscape approach to nature-based solutions (NbS). Projects that are part of this approach encourage communities in the landscapes to work with government and private sector actors, to jointly develop strategies addressing the dual global crises of biodiversity loss and climate change.

This paper presents the results of an analysis of 17 MoMo4C NbS initiatives conceptualised, developed, implemented and/or scaled up in Ghana, Zambia, Indonesia, Uganda, and Cameroon. All aim to develop eventually into investable enterprises.

When assessing financial, biodiversity-related and social opportunities and risks of these initiatives, it is important to take into account that the MoMo4C landscapes hold formidable potentials for biodiversity conservation. At the same time, they are challenged by vulnerability to climate change and lack of capacity of the smallholder farmers that depend on these forested landscapes.

ABOUT MOMO4C

MoMo4C is a five-year programme of IUCN NL, WWF-NL, Tropenbos International, and six local partner organisations in five countries. The programme is funded by the Netherlands Ministry of Foreign Affairs.

FOCUS, AMBITIONS AND PRODUCTS

The 17 initiatives focus on ecosystem restoration, organic agro-forestry production, sustainable water management, and the up-cycling of agri-waste into clean energy and organic fertilizer. Agro-forestry initiatives may produce a variety of products, such as coffee, cocoa, shea, rubber, spices, honey, cassava, fruit, pepper, and sustainable timber. For part of them, the marketing of ecosystem services is an interesting opportunity.

In these and other MoMo4C initiatives, local NGOs and communities are always in the lead and organise themselves to formalise land ownership and access rights. Women-led cooperatives and gender-inclusive farmer groups receive organisational and technical assistance for product development and business development. To attract cheap loans, off-take companies and low-threshold credit facilities are engaged.

SCALING AND INNOVATIVE FINANCE

MoMo4C fosters local entrepreneurship to increase efficiency, market access, and to create scale. At various stages of scaling, philanthropic, public, and private investments are attracted. In the bigger picture, the goal is to develop agro-forestry systems as a business model for biodiversity conservation and climate adaptation and mitigation at a large scale.

To be a serious alternative to mono-culture plantations, local initiatives should be scaled up and eventually attract commercial finance. In order to achieve this, MoMo4C develops innovative finance models that have the potential to enable the restoration and production of locally managed agro-forestry systems at scale across different continents.

NBS DEFINITIONS AND STANDARDS

To understand the effectiveness, opportunities and risks of NbS under MoMo4C, 17 of the programme's initiatives were assessed using the NbS definition of the United Nations Environment Assembly (UNEA). Subsequently, and more importantly, they were assessed against the 2020 IUCN NbS standard[1]. UNEA defines NbS as:

'Actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits'.

All MoMo4C initiatives on nature-based solutions operate in line with this broad definition, and the IUCN NbS standard proved more useful and critical to assess how these initiatives evolved over time.



Figure 1: The eight criteria of the IUCN Global Standard for NbS.

[1] IUCN (2020). Global Standard for Nature-based Solutions. First edition. Gland, Switzerland: IUCN.

IUCN STANDARD NBS CRITERIA

The MoMo4C NbS initiatives meet the criteria of the IUCN NbS standard (figure 1). They address societal challenges (criterion 1) and are designed at a suitable scale (criterion 2). The initiatives are sustainable (criteria 3-5), but because most initiatives were still early stage, their biodiversity and climate baselines and progress monitoring were not yet fully operational.

The MoMo4C landscape approach, with its joint multi-stakeholder visioning, planning, and risk assessments of potential businesses ventures, addresses potential trades-offs well (criterion 6). Because all projects are innovative within their local context, they apply adaptive management to be able to address the challenges of innovation (criterion 7). Mainstreaming (criterion 8) and access to markets can help ensure that diversification contributes to climate action and biodiversity conservation.

RESULTS

The MoMo4C NbS initiatives attracted 14 million euros in investments, mostly from private social responsibility sources. They directly improve the livelihoods 15,000 people and sustainable management of 300,000 hectares.

Commercial finance is often only realistic in the intermediate to long-term horizon. Early engagement and agreements with off-taking companies on the other hand, can prove valuable. Such actors further down the value chain can play a role in accessing credit or attract donations.

Communities benefit from assistance to develop their financial literacy: With the right knowledge and confidence, they are able to engage with start-ups and innovators. Useful examples include digital solutions for transparency, track and trace. This is particularly relevant when local products must meet new international requirements,

such as the EU Deforestation Regulation (EUDR). Benefits of biodiversity-rich agro-forestry systems include reducing risks for smallholder farmers, as they ensure income from a diversity of products that provide income in all seasons.

To promote agroforestry systems, models for investments in multiple-product agro-forestry systems should quantify the risk reduction that smallholder farmers achieve when they invest in multiple food and cash crops harvested in different seasons.

A good enabling environment is important to make investments possible at the local levels. Government policies and civil society initiatives that encourage and incentivise ecosystem-based climate solutions and sustainable value chains can for example help projects to grow and access multiple sources of finance.

CONCLUSION

With many of them being still in their early stages of development, the MoMo4C NbS initiatives illustrate that nature-based solutions are essential in areas where rich biodiversity is under threat, and where capacities of local communities in addressing the dual biodiversity-climate crises are limited. Local enabling environments should be identified and strengthened in order to develop local entrepreneurship and in time attract philanthropic, public, and private investments.

Financing NbS requires capacity development with local smallholder communities and tailor-made finance solutions. The scaling of biodiversity rich and climate resilient agro-forestry systems can be made possible in this way. All public, community- and privately-led efforts to boost production, off-taking, scaling and even offsetting along agro-forestry and other sustainable value chains, should adhere to important requirements outlined in the IUCN NbS standard regarding science-based targets.

RUBBER AGROFORESTRY IN INDONESIA

Tropenbos Indonesia supports Indigenous farmers in Simpang Dua in increasing their rubber agroforestry income. Through improved rubber production practices, farmers enhance productivity while diversifying their crops. The community has set up a Rubber Processing and Marketing Unit (UPPB) to strengthen their bargaining power and to facilitate access to credit. With the support of the rubber company PT Bintang Borneo Persada, the UPPB is improving the quality of its products and entering in a sales agreement for a third batch of rubber.



SHEA LANDSCAPE RESTORATION IN GHANA

A Rocha Ghana's shea landscape restoration initiative enhances nature-positive value chains in the buffer zones of Mole National Park. The project mobilises and supports women associations, harvesters, and farmers to improve livelihoods and conserve the landscape. By promoting nature-positive value chains like shea, honey, and organic cassava, the initiative addresses societal challenges and supports sustainable production.



TREES FOR GLOBAL BENEFITS IN UGANDA

Ecotrust Uganda has developed a blended finance arrangement to roll out their programme focused on restoring degraded and logged forest patches. Community organisations are assisted in acquiring recognition of their legal rights to land. Smallholders receive pre-financing for the sale of carbon credits under Plan Vivo, a community-based climate compensation scheme for companies that voluntarily compensate unavoidable CO2 emissions by supporting community-based forest restoration initiatives.



SUSTAINABLE AGRICULTURE IN ZAMBIA

WWF-Zambia works with Mahachi Mana Farms to sustainably restore degraded land and convert it into Marula tree plantations. By using this native tree species, the initiative boosts biodiversity, climate resilience, and ecosystem services like carbon sequestration, food provisioning, soil fertility improvement, and erosion reduction. The business model ensures sustainable benefits without land clearance, relying on the fruit and seed products.



Would you like to learn more about MoMo4C?

Visit momo4climate.org or send an email to janwillem.denbesten@iucn.nl.



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