

Prince Albert II of Monaco Foundation

Pre – Application

June 15th, 2010

GUATEMALA

PROJECT PROPOSAL:

National Program for Conservation Incentives
and Sustainable Use of Biodiversity

2011

Partner Institutions:





Fundación Patrimonio Cultural y Natural Maya – **PACUNAM** –

and

Fundación para el Desarrollo de Guatemala – **FUNDESA** –

PROJECT PROPOSAL

“National Program for Conservation Incentives and Sustainable Use of Biodiversity”

June 15th, 2010

Project Title (Spanish):	Programa Nacional de Incentivos a la Conservación y Uso Sostenible de la Biodiversidad
Duration:	October 2010 to November 2011 (budget during 2010 will be covered by counterpart)
Participating Country:	Guatemala
Partner Institutions:	Fundación Patrimonio Cultural y Natural Maya – PACUNAM – Fundación para el Desarrollo de Guatemala – FUNDESA –
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BACKGROUND:

Guatemala is considered one of the 25 most diverse countries in the planet, due to its great biological and cultural richness. Its exceptional location as a transition zone between two great biogeographic regions, the Nearctic -in the North- and the Neotropical -in the South-, is the main reason for the country's wealth in ecosystems, species, and genes. This feature coupled with a sharp relief determines the presence of a great diversity of habitats and **endemic species** (meaning those who only live in this region of the planet).

Guatemala stands as the heart of Mesoamerica, a region formed by the Mexican southern states, Guatemala, Belize, part of Honduras and El Salvador. Mesoamerica is known for its ample biological diversity, and it is considered the world's second "hot spot" in species diversity, especially in endemic plants and animals.

The Mesoamerican forests are the third largest among the world's hotspots. Their spectacular endemic species include 33 bird species, including the Horned Guan (*Oreophasis derbianus*), the Highland Guan (*Penelopina nigra*) found in the cloud forest; the White-bellied Chachalaca (*Ortalis leucogastra*) characteristic of the Sub-tropical Humid Forest, and the Ocellated Turkey (*Meleagris ocellata*) found in the Tropical Humid Forest. Mesoamerican forests are habitats for many threatened or endangered species like jaguars (*Panthera onca*), howler monkeys (*Alouatta spp*), and scarlet macaw (*Ara macao*), among other species. The region is also a corridor for many Neotropical migrant bird species. The hotspot's montane forests are important for amphibians, many endemic species of which are in dramatic decline due to an interaction between habitat loss, fungal disease and **climate change**.

Nevertheless, **Guatemala** was identified as one of the most threatened reservoirs of plant and animal life on Earth. On the Human Development Report presented in Copenhagen by United Nations, **Guatemala is listed as one of the ten countries in the world with more risk of being exposed to climate change**. Some aspects included in this report are presented below:

- Guatemala, Dominica, Vanuatu and Myanmar are the countries with the highest risk of being exposed to storms, droughts, floods, sliding, earthquakes and high temperatures.
- Guatemala, Nepal and Papua New Guinea are the countries with the most increased exposure to sliding derived from rains and earthquakes. Mortality provoked by these phenomena could be six times higher than earthquakes' related deceases.
- The report also informs that, each year, about 100,000 Guatemalans are exposed to mud slides aggravated by rains and earthquakes. The report underlines that, annually, 10% of GDP is lost due to the devastation caused by natural phenomena.
- In addition, the report indicates that the country is threatened by massive deforestation, looting, and destruction caused by predatory practices and equipment used in logging road construction, which itself facilitates intrusive settlements. These conditions are the most important source of biodiversity deterioration in the country (**deforestation rate is 172,973 acres per year**).

These findings are only one little sample of what the report establishes as "risks" derived from climate change exposure in Guatemala. Finally, the report states that air pollution, non-regulated fishery, deforestation and water contamination will have a progressive negative impact in biodiversity preservation, reducing opportunities for long term development strategies in rural communities.



Today, these “risks” became a reality. After Pacaya Volcano eruptions and the effects of Agatha Tropical Storm, the impact has become perceivable, affecting many people as a result of mud slides and rivers overflowing. As a consequence, the costs that should be covered in the future by Guatemalans are exacerbated, most of them derived from several years of ineffective and unplanned treatment and conservation of natural resources.

With all this on mind, the best way to determine how to protect the resources and reduce risk exposure in Guatemala will be a better management of protected areas in the country.

Protected Areas in Guatemala

As mentioned before, Guatemala counts with one of the richest inventory of natural resources in the world. Some of these resources have been declared as **Protected Areas**, with the objective of preserving specific land and/or water areas dedicated to the maintenance of biological diversity. The interest is to set aside these areas to maintain functioning natural ecosystems, to act as refuges for species and to retain ecological processes that cannot survive in most intensely managed landscapes and seascapes.

These areas are part of the **Guatemalan System of Protected Areas – SIGAP** –, which is directed by the **National Council of Protect Areas – CONAP** –, and constituted by public and private entities committed with the preservation of biodiversity in the country.

Geographically, **SIGAP** is composed by 282 areas, representing 32% of the territory. The benefits derived from its preservation are listed below:

a) Climate Change and Natural Water Disasters:

- Climate change mitigation through Tropical Forests (storage capacity of 170 to 250 tons of carbon per hectare)
- Mitigation of natural disasters through the creation of natural barriers and damping zones for storms, floods and droughts.

b) Mayan Culture Reinforcement through Tourism

- Development of tourism attractions in Mayan areas generates diverse sources of revenues
- Preservation of Mayan legacy and culture derived from increased interest in Mayan history

c) Poverty Reduction:

- The Maya Biosphere Reserve – **MAB** – annually produces US\$ 47 million and generates 7,000 jobs. These activities have a direct impact in the promotion of social development.
- Improvement of Nourishing Security programs through the preservation of areas that favor agriculture and raise of poultries.

d) Biodiversity Protection:

- Restriction for exacerbated exploitation of natural resources (natural reserves for medicines and wild animals)
- Protection of water resources (one third of communities in the country obtain water from protected areas)



Total estimation for **2,010**, considering a better usage of the resources, is about **1 billion US dollars**. Nevertheless, it will be necessary to update these numbers before implementing any conservation program to assure a correct estimation of the assets and a subsequent valuation of future investments.

All these benefits were evaluated in 1,999 defining its potential economic value. The revenues perceived by the Guatemalans due **SIGAP**'s provision of goods and services were the following:

	Revenues
• Tourism	US\$ 107.3 millions
• Carbon sink	US\$ 75.6 millions
• No-Timber flora	US\$ 25.0 millions
• Farming Goods	US\$ 17.1 millions
• Payments for no usage of Land	US\$ 10.9 millions
• Timber goods	US\$ 8.3 millions
• Water provision	US\$ 4.8 millions
• Land protection	US\$ 3.1 millions
• Hunting	US\$ 0.4 millions
Total (estimated)	US\$ 252.4 millions

Therefore, communities should be consulted about the value they perceived from the exploitation of resources and which could be the benefits for its maintenance during time.

Although, all the benefits represent a considerable amount of resources for the country, it is also important to consider all the associated costs. Actually, around **35% of SIGAP** is employed to promote public usage activities. However, the history of Guatemala is that every year increases the difference between costs and benefits associated with these activities, aggravating the **financial gap** (deficit).

Estimation about this situation is described as follows:

	2008	2009	2010	2011	2012
Revenues (US\$ millions)	10.0	12.5	11.3	8.8	8.8
Costs (US\$ millions)	32.5	47.6	55.1	56.3	61.3
Financial gap (US\$ millions)	- 22.5	- 35.0	- 43.8	- 47.6	- 52.6

The challenge faced by **SIGAP** is to solve wisely one particular paradox. From one side, people support biodiversity conservation but, in the other side, people that demand to exploit natural resources in order to achieve better life conditions. At this moment, the result has been unsustainable, generating increased losses during the years (present value of the **accumulated deficit 2008-2012** is about **US\$ 120.0 millions**).

The answer to this problem is a well planned strategy which defines how to implement a better use of natural resources in the production of economic benefits, without predateding them.

Currently, **PACUNAM** and **FUNDESA** have initiated actions related to this matter. These two institutions signed an agreement to work together in the north area of Guatemala and their main



objective is the preservation of Guatemala's uniqueness, a vast and irreplaceable combination of natural and cultural resources.

- **PACUNAM – Fundación Patrimonio Cultural y Natural Maya** –. PACUNAM is a foundation comprised of several institutions committed to the preservation of Guatemala's natural and cultural heritage through sustainable development for the benefit of future generations. The objectives of PACUNAM are to develop and protect the Cultural and Natural Heritage of Guatemala and to transform it into an unparalleled region for the preservation of the natural biodiversity and rich culture, universally unique; throughout the coordination of efforts of private and public sector. Therefore PACUNAM facilitates resources to identify, lead and promote projects for the protection, rescue and conservation of this global heritage.
- **FUNDESA – Fundación para el Desarrollo de Guatemala** –. FUNDESA is a private, nonpartisan, independent and nonprofit organization, made up by business people, acting on an individual capacity. The Foundation conducts research and engages in advocacy in several areas such as social policy and economic reforms that contribute to the integral, sustainable and democratic development as well as the promotion of a market economy and the rule of law. The Foundation acts as an independent, representative and proactive organization that has a long-term vision for key Guatemalan development issues.

Following we introduce the efforts of the work done by both institutions and the necessity to expand and complement their work in the rest of the country, trying to preserve, stage by stage, the large amount of resources that are currently under threaten.

The work implemented by FUNDESA and PACUNAM

PACUNAM and **FUNDESA**'s current work is conducted toward developing Guatemala as a tourist destination, emphasizing country's biodiversity and cultural advantages. The goal of this partner cooperation is to contribute with the sustainability of tourism projects in Guatemala, rescuing the legacy of being an icon of Mayan Culture and extending economic and social development to rural areas.

This initiative has been implemented in the north area of Guatemala, and is one of a series of national activities oriented to contribute with the conservation of **Protected Areas** in Guatemala. The objective of the project is to solve the paradox presented before, which is motivating the protection of natural resources and offering the local communities an economic incentive for doing so.

Focusing on the north of Guatemala, with the financial support of **IADB** (Inter-American Development Bank) and technical assistance from **Global Heritage Fund**, **FUNDESA** and **PACUNAM** are making efforts to consolidate a tourism cluster in the area. The objective of the project is to benefit more than 300 micro, small and medium entrepreneurs, local organizations, conservation agencies, and businessmen interested in this sector.

This project involves and assist local communities, in order to improve conditions offered to tourists, which includes infrastructure, lodging and basic services. In addition, the community has been taught to preserve resources in order to attract more visitors to the natural reserves, national parks, archeological sites and other ecological attractions in the area, providing valuable services.



In particular, this work has been developed in two communities, Uaxactun and Carmelita. These communities are the entrance to today's most important archeological site in Guatemala, known as "**Cultural and Natural System Mirador**".

Below, we submit a brief description of the area:

This area constitutes the heart of the Maya jungle, the largest extension of tropical rainforest after the Amazon and is home to over 100 Pre-Classic and Classic Maya archaeological sites. These remarkable resources are currently compromised by rapidly expanding threats throughout the region. Destructive forces that threaten this area range from on-going archaeological looting to large-scale drug trafficking.

Sites within **Mirador** have been under archaeological investigation for over 30 years and findings have included some of the largest and earliest pyramids built by the Maya. These findings have rewritten the Maya civilization timeline, pushing back the date of the height of its power and complexity to 1,000 years earlier than previously thought.

Mirador's historic buildings represent the nation's most comprehensive collection of Pre-Classic Maya architecture, dating from 1000BC to 150AD. The best strategy for preserving historic buildings is to selectively conserve and rehabilitate them, generating revenue for the park through tourism visitation and **resources preservation**. Rehabilitation of this **cultural and natural legacy** is costly and complex, requiring scientific methods, planning and technical preservation.

Cultural Resources:

- Epicenter of the early Maya civilization
- Massive pyramids: La Danta pyramid in El Mirador archeological site may possibly be the world's largest ancient construction, by volume, surpassing even the pyramids of Egypt.
- Sophisticated system of causeways: The Maya constructed a sophisticated system of causeways connecting the area's major and minor sites.
- Extraordinary density of archaeological sites: The sites found within Mirador were built in different Maya eras, represented with distinctive monuments, architecture, and art, as well as agricultural and hydrological systems. Contains the largest concentration of archeological sites (more than 200) in the preclassic Maya period (1000 B.C – 250 A.C).

Natural Resources:

- Intact tropical forest: The MAB consists of nearly five million acres of intact tropical forests that are contiguous with similarly large protected areas across the borders in Mexico to the north and Belize to the east.
- Critical habitat: Many endangered species currently found within the MAB area - including Jaguars, Orange-Breasted Falcons (one of the rarest falcons in the Americas) and Harpy Eagles - require large swaths of undisturbed forests.
- No human settlements: despite having dense populations historically, no-human settlements currently exist **within** the Mirador area.



This catalog of invaluable resources has been managed through several programs, all they administered by the **National Council of Protected Areas – CONAP** –. These programs could be summarized in three categories:

- a) **Forestry Concessions:** Nearby local communities, have been granted the rights to manage the timber through forestry concessions. These concessions have helped diminished the spread of illegal human settlements, forest fires, and other threats within this area.
- b) **Sustainable Use:** Local community members support themselves through the sustainable extraction of timber and non-timber resources (e.g., palm leaf, chicle, and allspice).
- c) **Ecotourism:** Many local community members have a considerable knowledge of the forest and have experience as tourist guides.

The key message to other institutions, national and international, is to state the potential that the **Natural and Cultural System Mirador** has for a well planned sustainable development.

This development potential includes phased development for sustainable tourism. Develop the Mirador Area as a premiere tourist destination in phases by:

- Building resources and tourism capacity within Government of Guatemala, Municipalities and local communities.
- Establishing visitor infrastructure and site education/orientation.
- Strengthening security.
- Generating funds through entrance and user fees.
- Ongoing consolidation and stabilization of Maya monuments and structures.
- Local communities and private businesses will be strengthened and coordinated to provide visitor services, focusing initially on the gateway communities of Carmelita and Uaxactun.

The **long-term proposal** is to capitalize on the MAB's unique natural and cultural resources that differ from already established tourist destinations in nearby areas (e.g., Tikal, Uaxactun) and ultimately integrate them into a sustainable tourism circuit for northern Guatemala. This development will entice tourists to extend their stay in Petén beyond the current one-day average stay, increasing the benefits to the national and local economies.

Nevertheless, there are several threats to the MAB area:

- Illegal agricultural, logging, and ranching practices.
- Massive destruction of archaeological sites and loss of scientific information due the illegal activity of looting.
- Trafficking of drugs, humans, and wildlife.
- Wildlife poaching for meat and skins.
- Intentionally set forest on fire to change land use.
- Ever expanding network of roads provides access to ever increasing level of illegal activities.



Currently, people in Guatemala are concerned about the threats that are negatively affecting the ecosystems in the north area of Guatemala (e.g., Mirador), increasing the problems to face in the future about the protection of country's cultural and natural heritage.

For this reason, it will be necessary to orientate people in innovative ways to conserve their resources, giving them the right guidance to obtain economic benefits. These kinds of tools will allow communities to engage strategies that provide them eco-friendly economic growth.

Several institutions have been involved in the protection of Guatemala's natural and cultural resources: Global Heritage Fund – **GHF** –, Association of Friends of the Natural and Cultural Heritage of Guatemala – **APANAC** –, U.S. Department of the Interior, Balam Association, Wildlife Conservation Society – **WCS** –, and Foundation for Anthropological Research and Environmental Studies – **FARES** –. **PACUNAM** and **FUNDESA** are just part of this movement, but our intention is to increase the number of institutions that recognize the importance of preserving biodiversity in the country through more investment and social participation.

The scope of this proposal seems quite large, but the commitment of these institutions in protecting the Maya Biosphere Reserve (being Mirador our pilot project) is the starting point to elaborate a national program to conserve country's environmental wealth.



PROJECT RATIONALE:

Coordinating collaboration between local people and institutions awarded in preserve biodiversity resources' potential will generate an economic interest in developing long term projects for the benefit of the country. These projects should be oriented in using the resources in the most efficient way, giving communities the chance to obtain direct benefits from investors interested in environment's preservation.

Sustainability and conservation of natural resources will be the main objective executed with communities and investors, emphasizing the necessity of a long term commitment among all partners. But, this will not be possible if we don't have a clear action strategy.

The general strategy developed by **PACUNAM** and **FUNDESA** to enhance country's biodiversity and cultural advantages covers four interrelated and specific aspects:

1. **Environment Protection.** To defend the Maya Biosphere Reserve, recognizing the importance these resources have in the conservation of all different forms of life, including humans.
2. **Cultural Preservation.** To reinforce the importance of Mayan legacy preservation by showing people all the benefits that can be obtained from its preservation.
3. **Social Cooperation.** To make communities the protagonist of their own development, having a continuous dialogue to implement strategies for the improvement of people's life conditions.
4. **Economic Development.** To design alternative ways in order to contribute with the economic development of the country, using cultural and natural resources as a potential source of revenues.

The first three aspects of the strategy have been treated opportunely during the work conducted by **PACUNAM** and **FUNDESA**. All the activities in Uaxactun and Carmelita, have involved a continuous participation of the community, emphasizing the significance of protecting their resources, and encouraging investors to support this kind of profitable initiatives.

However, the fourth component of the strategy is not yet fully implemented. The next stage in this project implicates the implementation of a series of mechanisms that allow people to obtain an economic benefit from the preservation – not from indiscriminate exploitation – of their resources. The main objective is to elaborate, in conjunction with different interested institutions, a long term plan for **social development**, rewarding positive performance in the protection of their environment.

In addition, the last link in this chain of activities will be to motivate the **participation of private sector**. This proposal introduces the participation of private investors that, apart from the work done by the communities, contributes with financing the conservation project. The rationale of this settlement is to show entrepreneurs that their financial collaboration in the preservation of cultural and natural resources also represents a direct benefit in their productive process.

To present a proposal in this direction is based in the intention of introduce new processes, technologies and practices that may result in additional benefits from the biodiversity conservation. Since tourism affluence (as an example of the economic activities attracted by biodiversity conservation) depends on the value of the services provided by the country, the possibility of enhance the work in the preservation of forests, improve the quality of water and provide better hospitality conditions, among others, will impact positively in people's income.



OBJECTIVES:

Development Objective:

- Considered by United Nations as one of the ten countries more exposed to climate change, Guatemala presents the necessity to prioritize work in environmental protection. For this reason, the present proposal aims to contribute in **biodiversity conservation** through the design of a **Conservation Incentive Program** that allows the country to make sustainable the protection of our cultural and natural resources.

General Objective:

- To increase biodiversity protection in Guatemala through the implementation of a **Conservation Incentive Program** nationwide, that promotes economic growth in poor communities

Specific Objectives:

- Reduce environmental deterioration in Guatemala, at the same time that the Guatemalan System of Protected Areas – **SIGAP** – is strengthened.
- Increase revenues from environmental protection in poor communities.
- Involve private entrepreneurs and local people in the conservation of cultural patrimony and natural resources through sustainability in the provision of profitable services.
- Identify how to better use the conservation funds in the generation of sustainable eco-friendly development.
- Design a development strategy in Carmelita and Uaxactun based in the financing of conservation mechanisms oriented to protect Mayan legacy in El Mirador.
- Replicate the experience of Carmelita and Uaxactun in other communities, extending the benefits of the effects of conservation to all the Maya Biosphere Reserve.

The consecution of these objectives will be feasible in a short and medium term. **PACUNAM** and **FUNDESA** have worked in a short term strategy, but it will be necessary to implicate more institutions to make a bigger and broader impact in the country.



PROJECT DESCRIPTION:

After presenting the proposal justification and objectives, it is important to describe the implications of this project, pointing out every aspect that will be covered.

The actions tending to promote environmental conservation will be focused in the value of those **markets that are currently underdeveloped**. Among these actions we can mention conservation incentives and investments, depending in the cost-effectiveness analysis of its implementation. In this sense, it is considered a challenge for the country to calculate the real value of its biodiversity. Once this could be done, it will be easier to choose what actions and plans are going to be implemented, bringing sustainability of services and a continuous provision of goods and revenues.

With this idea in mind, **conservation mechanisms** are one example on how to stimulate an increase in protection of biodiversity at the same time economic growth is encouraged. Guatemala's cultural and natural resources constitute an opportunity to improve human development in Guatemala through the generation of interrelated economic activities. We can motivate a better handling of the resources through economic incentives, obtaining better results in the amount of investments placed in this region. The result will be a virtuous cycle.

Depending on the results of a previous consultancy in various pilot projects, the selection of mechanisms could vary, but, in order to move from research to action, this proposal aims to motivate people to work in order to create better life conditions for them and further generations.

There is a lot of literature about conservation mechanisms, their advantages and disadvantages, describing the best way to implement each one of them. However, this proposal does not want to elaborate a study about the characteristics of the mechanisms, but to analyze the best way to sell these mechanisms to private investors.

Also, the proposal is founded in **multiple dividends principle**, which offers the opportunity to develop economic instruments in order to achieve biodiversity protection objectives. In this sense, promoting environmental protection with private investors' participation is considered a high cost-effectiveness scheme, considering that it's reasoning to contribute at the same time with natural resources preservation and economic profitability.

The proposal wants to present a legal-economic instrument that allows Guatemalans to regulate usage and management of natural resources, financing its long term conservation towards private and public cooperation. At the end, acquire resources will represent a "social responsibility" investment by the side of entrepreneurs; at the same time they represent a source of funds to continue state's role in the preservation of Guatemala's cultural and natural uniqueness.

All this work implicates continued participation of different actors. Nevertheless, it is necessary to begin with the definition of general action plans and elaborate the tools that will be the framework for the work in the next years. Following we submit a **list of activities** oriented to define these aspects, aligning the actions with the general objective of preserving biodiversity in the country.



LIST OF ACTIVITIES:

PACUNAM and **FUNDESA**'s proposal is looking for the support in the achievement of four core activities designed to support the preservation of cultural and natural heritage in Guatemala. These activities comprehend a period of time between **October 2010 and November 2011**, including the preparation of material that will be used during all the timeframe and next years.

The activities that will be engaged to achieve the objectives are the following:

PROGRAM	ACTIVITIES	TIMELINE	PARTNERS	BUDGET
National Program for Conservation Incentives and Sustainable Use of Biodiversity	1. Private consultancy to evaluate CONAP's proposal about the National Program for Biodiversity Conservation Content of the Consultancy: a) Analysis of CONAP's proposal b) Feasibility study c) Analysis of SIGAP's financial gap d) Proposal to reduce SIGAP's financial gap: Analysis of the Financial Conservation Mechanisms developed by CONAP	January 2011 to March 2011	<ul style="list-style-type: none"> Environment and Natural Resources Ministry (MARN) National Council of Protected Areas (CONAP) 	Funds: <ul style="list-style-type: none"> PACUNAM and FUNDESA \$ 90,000 (50% posterior reimbursement)
	2. Private consultancy to actualize revenues perceived by the Guatemalans due to SIGAP's provision of Good and Services Content of the Consultancy: a) Methodology's design b) Description of goods and services provided by SIGAP c) Valuation of goods and services d) Comparison with previous evaluation and explanation of differences	January 2011 to March 2011	<ul style="list-style-type: none"> Environment and Natural Resources Ministry (MARN) National Council of Protected Areas (CONAP) 	Funds: <ul style="list-style-type: none"> Prince Albert II of Monaco Foundation \$ 60,000
	3. MAIN EVENT: Social Development through Environmental Conservation in Guatemala <ul style="list-style-type: none"> To present the results from the two previous consultancies. Engage potential private investors in the realization of pilot programs. National and international speakers to talk about economic benefits from environmental protection. 	March 2011	<ul style="list-style-type: none"> MARN CONAP WCS FARES 	Funds: <ul style="list-style-type: none"> Prince Albert II of Monaco Foundation \$ 55,000 <ul style="list-style-type: none"> PACUNAM and FUNDESA \$ 30,000
	4. Procurement for the creation of the trust: "Fondo Patrimonial Maya" <ul style="list-style-type: none"> To hire a legal and financial consultancy to create the trust for the implementation of the National Program for Conservation Incentives and Sustainable Use of Biodiversity 	April 2011 to December 2011		Funds: <ul style="list-style-type: none"> PACUNAM and FUNDESA \$ 90,000



Each one of these activities, and the previous and posterior stages, are structurally described next:

- **Previous stage: Material preparation.** As part of the activities, **PACUNAM** and **FUNDESA** will prepare a list of materials during October 2010, including Terms of Reference for the two consultancies that are going to be hired, and a settlement of documents that will be used as reference in the next activities.

1. **Private consultancy** to evaluate **CONAP**'s proposal about the National Program for Biodiversity Conservation. Also, the consultancy will evaluate conservation mechanisms alternatives and the best way to reduce **SIGAP**'s financial gap (deficit).

This three months consultancy aims for a redefinition of the National Program for Biodiversity Conservation proposed by the National Council of Protected Areas – **CONAP** –. The study will evaluate the proposal, emphasizing advantages and improving weaknesses. Additionally, the study will present a document with a complete analysis of the conservation mechanisms developed by **CONAP**, suggesting the best way to reduce the actual **SIGAP**'s financial gap.

2. **Private consultancy** to actualize revenues perceived by the Guatemalans due to **SIGAP**'s provision of goods and services (last valuation was realized on 1,999).

The basis for the financial negotiation with private investors will be the list of goods and services provided by **SIGAP**, with its actualized economic valuation. As result of the consultancy, we expect to count with a well detailed inventory of the possible sources of revenues that will be perceived by Guatemalans, and its potential usage in the next years.

3. Event **“Social Development through Environmental Conservation in Guatemala”** to present the results from the two consultancies to potential private investors.

Both previous activities will be crowned with the presentation of their results to the government of Guatemala, Civil Society and potential private investors. The objective is to create a center of attention of institutions decided to collaborate with the preservation of Guatemala's cultural and natural resources, getting a clear idea of the benefits they could perceive derived from investments in biodiversity conservation.

4. Procurement for the creation of the trust **“Fondo Patrimonial Maya”** to obtain financial assistance for the creation of the National Incentives Program for Mayan Biosphere Reserve conservation.

The final stage of this proposal is to hire a legal and financial consultancy for the creation of the National Incentives Program, getting all the required funds to better manage the protected areas in Guatemala, training community people in the provision of services and giving them all the resources they need to preserve the uniqueness of country's cultural and natural heritage.

- **Final stage: Documents preparation** (October and November 2011). We expect to prepare a list of documents that reveals the achievements of the project, preparing a final report for the sponsors and different materials that compose the **national strategy for biodiversity preservation** in the next government. The objective is to have a solid basis that will be used during several years, instead of doing the same work in repeatedly occasions.



Timeline and Budget:

The timeline of the project includes activities during 2010 and 2011. This situation responds to the particular characteristics of the project. Nevertheless, we recognize that Prince Albert II of Monaco Foundation is sponsoring proposals only for 2011, so 2010 expenditures will be covered by **PACUNAM** and **FUNDESA** as counterpart.

Respecting to the budget, the total amount is about **US\$ 325,000**, divided in the next structure:

- Prince Albert II of Monaco Foundation: US\$ 160,000 (49%)
- **PACUNAM** and **FUNDESA**: US\$ 165,000 (51%)

Due to delay in payments or other kind of administrative difficulties, **PACUNAM** and **FUNDESA** will pay 100% of the cost of the first private consultancy, expecting 50% reimbursement when Prince Albert II of Monaco Foundation approves the credit for the project.

Expenditures referred to administrative activities – constitution of Conservation Endowment – will also be covered by **PACUNAM** and **FUNDESA**, recognizing that Prince Albert II of Monaco Foundation do not finance this kind of activities.

Finally, it's important to mention that, even though Guatemala is not part of the list of the Less Developed Countries in the world, we are requiring financial support based on the [Framework Partnership Agreement](#) signed on **February 2010** between **PACUNAM** and **Prince Albert II of Monaco Foundation**. This agreement established the intention to identify projects, which could be supported jointly, for the protection of the tropical rainforest in the Central America and in particular, but not limited to, in the Mirador Basin area and the Kan Kingdom in Northern Petén, Guatemala. The purpose of such projects could be, by way of example only:

- To combat deforestation,
- To promote the sustainable management of forests,
- To promote the certification mechanisms,
- To conserve biodiversity,
- To develop the forest's economic value,
- To raise the local communities' and the key stakeholders' awareness about the importance of preserving the tropical rainforest.