



Biodiversity Based Livelihoods and Green Economy

CONTEXT

Biodiversity is crucial for having a progressive economic growth as well for the subsistence economies of poor and marginal communities. It provides for some of the most basic needs of these communities, for e.g. more than 1.6 billion people depend on forests for their livelihoods globally with more than 2000 groups of indigenous peoples residing in forest ecosystems thus depending on forests for even their basic needs. Forest products also account for more than 3% global trade with a value of more than 300 USD billion per year¹.

In recent times, Payment of Ecosystem Services and the valuation of natural capital have been concepts explored to include the costs of ecological aspects. E. Somanathan suggests loss of biodiversity affects pharmaceutical needs, hydrology and human health, tourism based on nature and biodiversity for its own intrinsic value². Many of the sources of large rivers, streams and springs lie within forested areas and could get destabilised with loss in biodiversity.

According to the World Business Council for Sustainable Development, there is not enough water for all uses, whether agricultural, industrial or domestic. Forested catchments provide 75% of fresh water resources, maintain flows, and help reduce the costs of water treatment³. The Economics of Ecosystems and Biodiversity (TEEB) recommended immediate measures of conservation as peoples' well being and biodiversity conservation are inextricably linked.

The contribution of Non-Timber Forest Products (NTFPs) to the forestry sector in most countries is significant, and studies are showing that they have been undervalued in the past. In India, NTFPs provide about 40% of total official forest revenues and 55% of forest-based employment. Nearly 500 million people living in and around forests in India rely on NTFPs as a critical component for their sustenance (World Resources Institute, 1990).

¹ <http://www.cbd.int/doc/publications/for-redd-en.pdf>

² http://www.isid.ac.in/~som/papers/BiodiversityinIndia_rev.pdf

³ <http://www.wbcsd.org/work-program/sector-projects/fsg/forestryinfographic.aspx>

BARRIERS AND CHALLENGES

India is the 7th largest country in the world and has several biomes through its spread, from the mighty Himalayas to the long coastline. The biodiversity serves as a means for producing medicine, food, making different products, etc. Over the years agriculture and cultivation has covered a large part of the country leaving behind less than 30% area as forests.

Harbouring a large human population in the country, the extraction and use of this biodiversity is intense. It sometimes leads to extinction of species or causes critical changes in the ecosystem. For example NTFP sector supports about 20% of India's population primarily women belonging to vulnerable tribal and lower caste (ST and SC) communities. The market size of NTFP is more than Rs. 6000 crores in the country with good scope for export. However, the NTFP sector remains

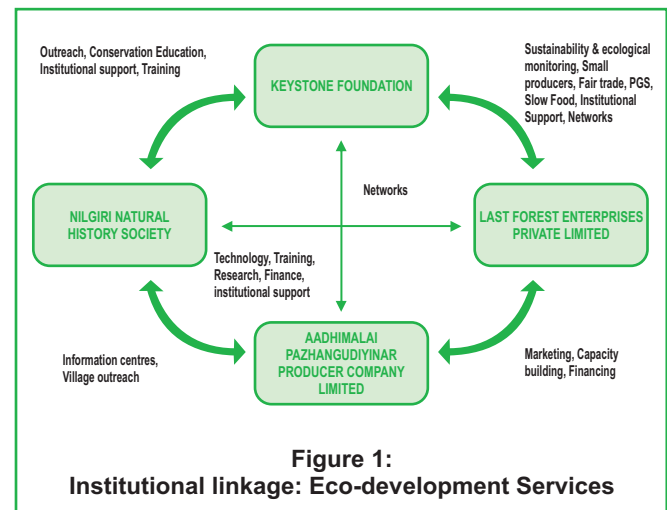
unorganised and hence the traders benefit at the cost of the poor primary collectors.

The Western Ghats of India is one of the world's most heavily populated biodiversity hotspots providing for and supporting 400 million people through water for drinking, transport, irrigation, and hydroelectric power, together with food and resources to sustain livelihoods. (IUCN, 2011). The main challenges with biodiversity in India therefore, lie in its very survival. Competing needs of mining, hydro and thermal power, infrastructure projects, SEZs, growing urbanisation all make large scale conversion of forests and pollution of water bodies. The forest based communities – mainly indigenous people, suffer from livelihood threats thus causing conflict. Other threats to biodiversity lie in impacts from climate change and other natural disasters.

THE OPPORTUNITIES

Keystone Foundation and a number of other NGOs have been involved in work around forests and indigenous communities. Having recognised the intrinsic linkage between the two, eco-development initiatives have been implemented. Sustainable harvesting and better quality of NTFPs, organic agriculture, value addition centres for village produce, building local markets, lobbying for better policies have all addressed the needs of the community. It has resulted in several institutions like Last Forest for marketing and Aadhimalai as a producer company. Resting on the principles of Conservation, Enterprise and Livelihoods, Keystone has attempted to build a green economy for the poorest sections of our community.

Evaluating the effort of the past years, the results are mixed. The elements related to building a local economy have shown signs of success. Over the years both production and marketing have grown and elements like Participatory Guarantee Systems (PGS) and Fair-trade have got linked to it. Income and employment amongst the community members has gone up. Local markets support healthy organically grown produce and a social enterprise has been built up.



The conservation efforts related to forest and species conservation is only partially owned by the community and continues to rest in the hands of Keystone. Several factors like rules related to access and local forest governance has caused alienation of the community from the forest. This has in turn led to reduced participation from them in conservation. Traditional conservation values sometimes get compromised due to market pressures, leading to over harvesting or unsustainable extraction and thereby degradation.

Keystone is now experimenting with building in market mechanisms that address conservation like Payment for Ecosystem Services (PES).

The other major lesson is related to the governance of this enterprise. From the community perspective, to build leadership, ownership and responsibility takes time and several capacity building initiatives. The several roles that they have to play from being producer to dealing with markets are often difficult for them. In our experience, it is better to build stronger partnerships in which professionals and managers partner with communities to take this forward.

Transitions into Green Economy will need an integrated look. Some fears exist that Green Economy is another ploy by the industry of capturing the centuries of 'green work and lifestyles' being led by the indigenous people, farmers of this country. Conservation of our forests, waters, animals, agriculture, seeds, seas and pastoral tracks have been done by local communities. By giving it a monetary focus, we may steal that element from their lives. Hence, we need to develop models which are inclusive, with a positive impact on these communities. Pro-poor policies and programmes into any work related to Green Economy is a must in developing and low income countries.

WAY FORWARD

Transitioning to a Green Economy will require creation of a culture of valuing ecosystem services and sustainable harvest practices. The transitions will also require enabling systems in terms of financing, business support systems, capacity enhancement and technology access⁴.

- Provisioning green financing through easily accessible loans and incubation support to businesses for developing sustainable markets. Market-based approaches will be most successful for long-term sustainable interventions.
- Focussing on small scale sustainable use vis-à-vis large scale privately driven extractions facilitating

pro-poor conservation policies and large scale restoration and building back of natural resources. It may be necessary to cut back and put sanctions against polluting technologies and businesses so that such products can be phased out and instead promotion given to sustainable goods and services.

- Making access to green technologies and knowledge easily available to communities dependent on biodiversity based livelihood systems.
- Building capacity amongst large sections of society to learn about and adapt sustainable lifestyles; introducing 'green' values through education.

⁴ http://www.undp.org/content/dam/undp/library/Environment%20and%20Energy/Examples-of-Inclusive-Green-Economy-Approaches-in-UNDP's-Support-to-Countries-June2012_Updated-Sept2012.pdf



About Development Alternatives Group www.devalt.org

Development Alternatives (DA) is a premier social enterprise with a global presence in the fields of green economic development, social equity and environmental management. It is credited with numerous technology and delivery system innovations that help create sustainable livelihoods in the developing world. DA focuses on empowering communities through strengthening people's institutions and facilitating their access to basic needs; enabling economic opportunities through skill development for green jobs and enterprise creation; and promoting low carbon pathways for development through natural resource management models and clean technology solutions.



About Keystone Foundation www.keystone-foundation.org

The concept of 'Keystone' emerges from the nest-building behaviour of some birds in nature. These permanent nest structures serve as habitat for several life forms. Such 'keystone' species become crucial in providing opportunities for other associated beings to grow and evolve. Thus, Keystone Foundation is born out of a simple ecological principle of the interdependence of natural systems. Keystone Foundation has completed 16 years in the Nilgiris, working with indigenous communities on eco-development initiatives. The Foundation's work has been concentrated in the areas of apiculture, micro-enterprise development, non-timber forest produce, land and water management, revival of traditional agriculture, and other issues concerning indigenous communities.



About South Hubs Network Programme

As part of Development Alternatives work on green economy, the organisation entered into a partnership with the New Economics Foundation (nef), London to contribute to a global transition movement - a movement towards a sustainable and socially conscious economy. This programme is referred to as the South Hubs Network Programme. This initiative develops from, and forms part of nef's work on Global Transition Initiative (GTI) (www.gtne.org). A similar movement in an emerging economy like India is initiated with the aim to build a civil society and stakeholder movement of actors and organisations that are committed to the principles and objectives of transitioning to a new economy. The objective of this programme is to promote innovative ways of achieving a more environmentally sustainable and socially just model of economic development.

DISCLAIMER

This document is an outcome of a project titled, "South Hubs Network Programme" funded by "New Economic Foundation" for the economic development, social empowerment and environment management of our society. This Policy Brief is intended for use by policy-makers, academics, media, government, non-government organisations and general public for guidance on matters of interest only and does not constitute professional advice. The opinions contained in this document are those of the authors only. However, the decision and responsibility to use the information contained in this Policy Brief lies solely with the reader. The author(s) and the publisher(s) are not liable for any consequences as a result of use or application of this document. Content may be used/quoted with due acknowledgement to Development Alternatives.

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Development Alternatives
B-32, Tara Crescent, Qutub Institutional Area
New Delhi 110016, India
Tel: 011-26544100, 26544200, Fax: 011-26851158
Email: mail@devalt.org, Website: www.devalt.org



Keystone Foundation
Keystone Centre, PB 35, Groves Hill Road
Kotagiri 643 217, Nilgiris District, Tamil Nadu, India
Telefaxes: +91 (04266) 272277, 272977, 275297
Email: kf@keystone-foundation.org