

Applicant: **Baqueros, Fatima**
Organisation: **Fundacion Natura Bolivia**
Funding Sought: **£796,422.00**

DIR31S2\1061

Sustainable KBA conservation through the strengthening of city-based water funds

The project will improve the conservation status of three Bolivian Key Biodiversity Areas (KBAs) through the creation and development sustainable financing mechanisms (Water Funds). By improving management of 200,000 hectares of biodiverse forests and grasslands above Bolivia's cities, and establishing conservation agreements with local communities, the project will enhance conservation of biodiversity and water resources. Key activities include the creation and/or consolidation of three city-based Water Funds, implementing governance mechanisms, and training forest guardians to monitor biodiversity and water health.

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Section 1 - Contact Details

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GMS ORGANISATION

Type	Local charity organisation
Name	Fundacion Natura Bolivia
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Section 2 - Title, Ecosystems, Approaches & Summary

Q3. Project title

Sustainable KBA conservation through the strengthening of city-based water funds

Please upload a cover letter as a PDF document.

 [Natura-Bolivia-KBA-Cover-Letter](#)

 02/12/2024

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 pdf 129.48 KB

What was your Stage 1 reference number? e.g. DIR31S1\1123

DIR31S1\1660

Q4. Response to Stage 1 feedback

You must explicitly set out how and where you have addressed all the comments/feedback in the application form: briefly restating the feedback point, then clearly setting out how you have responded to it in the application.

We have made a series of changes based on Stage 1 feedback:

We have improved the results framework by better defining improved management (and its associated biodiversity indicators and water quality parameters) as “participatively developed conservation action plans” that include “750 conservation agreements” with “4,000 hectares restored ... and 100,000 ha ... patrolled and protected” resulting in a “20% increase in sightings of key biodiversity indicator species”, “faecal coliform load reduced to zero in 50% of water intakes” and “additional aquifer replenishment of 1.5 ML/ year”

Based on feedback we will now concentrate on three major cities (Santa Cruz, Sucre and Tarija). Having already developed almost 90 Water Funds in small and medium cities across Bolivia, our assessment is that the challenge of jumping from smaller to larger cities is innately political.

For example, the Water Cooperative of Tarija has already expressed its commitment to a Water Fund, but political leaders in the city want Fund creation to be political rather than technical (as Fund creation is in small cities). We think that we therefore need five years complete the political process. We recognize that we cannot control politics, so we will use Darwin funds to prove the technical arguments, focusing on the 7-10 towns and small cities that are geographically located between the capital cities and their water sources.

We will work with these municipal governments, creating and strengthening a series of smaller Water Funds and

improving protected area management and watershed protection. Having such activities successfully underway will ensure that when the political stars are in alignment, we are ready to legally create the city-based Water Funds.

We have turned our assumption that city governments, and the population, are willing to invest in conservation and the protection of the KBAs into a specific outcome indicator (0.2 City governments, water users and the private sector invest £200,000 per year in KBA conservation and protection) with the related activity of running social marketing/ awareness building programs to build support from authorities and communities. These funds are what will ensure sustainability of project activities, including forest guardians' patrols in the long-term.

We have more specifically defined our biodiversity targets as a "20% increase in sightings of key biodiversity indicator species", and the proposed water quality indicators as "faecal coliform load reduced to zero in 50% of water intakes" and "additional aquifer replenishment of 1.5 ML/ year". We have also now included a specific restoration output target of "4,000 ha restored (passive regeneration and native species enrichment)".

We have defined the beneficiaries and much they will benefit as "4,000 local community members in and around KBAs have received livelihood projects (e.g. honey production, improved water access) worth £200,000" and "Incomes of project beneficiaries increase by 10% with at least 30% of the beneficiaries being women".

Our partners at the local level are the municipal governments of Sucre, El Puente, Yunchara, Uriondo, El Torno, Buenavista, La Guardia and Santa Cruz (we have included their letters of commitment to the project). These municipalities are located upstream of the cities we will serve. Our key private sector partner is Coca Cola, with whom have partnered for over 5-years, and which has already invested more than \$500,000 in watershed protection in Bolivia. Coca Cola will support business training and the municipal governments training in the livelihood activities. Nevertheless, capacity building needs are not too great as we specifically target development projects – such as beekeeping and fruit production – in which beneficiaries are already experienced.

It is important to clarify that investment in livelihoods will start immediately and not wait until the structure and finance of the water funds is secure. These investments will be made with BCF fund and with match funding from municipal partners and will act as "proof" to the city politicians that the Water Fund model can work. The Darwin Initiative work and BCF support will be recognized on all project activities, especially the livelihood investments. For example, when community members sign a conservation agreement, it is done as a public celebration in the town square with songs, dancing and food (and donor logos!) bringing all watershed inhabitants together to celebrate the common good of upstream conservation. This mechanism is called "Watershared" ("Reciprocal Watershed Agreements in Spanish") and is based on and promotes the philosophy that "upstream water providers share the water, and downstream beneficiaries share the benefits of water".

Our previous research and experience suggest that there is high community "demand" for Water Funds and our conservation model. With support from Natura, almost 90 Bolivian municipalities have set up Water Funds, and in many cases water users have voted to increase their own tariffs to support upstream conservation. The letters of support from partners – the municipalities of Sucre, El Puente, Yunchara, Uriondo, El Torno, Buenavista, La Guardia and Santa Cruz – show the strong community demand for these mechanisms. In terms of what the setting up of Water Funds (governance frameworks) will look like in practice, we have detailed the 17 activities we will undertake to set up each Fund within output 1.

Q5. Key Ecosystems, Approaches and Threats

Select up to 3 biomes that are of focus, up to 3 conservation actions that characterise your approach, and up to 3 threats to biodiversity you intend to address, from dropdown lists.

Biome 1

Tropical-subtropical forests

Biome 2

Savannas and grasslands

Biome 3

No Response

Conservation Action 1

Legal & Policy Frameworks

Conservation Action2

Livelihood, Economic & Moral Incentives

Conservation Action 3

Institutional Development

Threat 1

Agriculture & aquaculture (incl. plantations)

Threat 2

Residential & commercial (incl. tourism) development

Threat 3

Biological resource use (hunting, gathering, logging, fishing)

Q6. Summary of project

Please provide a brief non-technical summary of your project: the problem/need it is trying to address, its aims, and the key activities you plan on undertaking.

The project will improve the conservation status of three Bolivian Key Biodiversity Areas (KBAs) through the creation and development sustainable financing mechanisms (Water Funds). By improving management of 200,000 hectares of biodiverse forests and grasslands above Bolivia's cities, and establishing conservation agreements with local communities, the project will enhance conservation of biodiversity and water resources. Key activities include the creation and/or consolidation of three city-based Water Funds, implementing governance mechanisms, and training forest guardians to monitor biodiversity and water health.

Section 3 - Countries, Dates & Budget Summary

Q7. Country(ies)

Which eligible host country(ies) will your project be working in?

Country 1	Bolivia	Country 2	<i>No Response</i>
Country 3	<i>No Response</i>	Country 4	<i>No Response</i>

Do you require more fields?

☒ No

If you are proposing to work in an Upper Middle Income Country (see Annex A), please demonstrate your case for support with reference to one or more of the criteria in Section 2.8.

No Response

Q8. Project dates

Start date:	End date:	Duration (e.g. 2 years, 3 months):
01 April 2025	31 March 2030	5 years

Q9. Budget summary

Year:	2025/26	2026/27	2027/28	2028/29	2029/30	Total request £
Amount:	£159,500.00	£158,755.00	£159,974.00	£158,811.00	£159,382.00	£ 796,422.00

Q10. Do you have matched funding arrangements?

☒ Yes

Please ensure you clearly outline your matched funding arrangement in the budget.

Q11. If you have a significant amount of unconfirmed matched funding, please clarify how you will deliver the project if you don't manage to secure this?

A significant part (██████) of the ██████ match is from the local governments. Although this contribution is expected, and has been verbally agreed upon, it is legally impossible for the sub national governments to put this in writing as each annual budget can only be legally confirmed the year prior. Our experiences of more than 20 year across more than 80 Bolivian municipalities is that the local governments will make the promised payments. However, if they do not do so, Natura Bolivia commits to cover all the £490,361 if so required. We have therefore classified these match funds as "confirmed".

Q12. Have you received, applied for, or plan to apply for any other UK Government funding for your proposed project or similar project?

☒ No

Section 4 - Problem statement

Q13. Problem the project is trying to address

Please describe the problem your project is trying to address in terms of **biodiversity and its relationship with multi-dimensional poverty**.

The Key Biodiversity Areas (KBAs)– Amboró, Rio Guadalquivir/Sama, and Cajamarca – close to three of Bolivia's largest cities (Santa Cruz, Tarija and Sucre) are severely threatened. These KBAs are home to an immense variety of species, including the vulnerable spectacled bear and over 900 bird species in Amboró National Park alone.

However, biodiversity in these areas is severely threatened by agricultural expansion, mining, deforestation and degradation by local communities and -- given the unique locations of these KBAs close to cities -- urban and peri-urban expansion. Investment in reducing these threats is minimal. The 639,000 hectares of Amboró National Park, a jewel in the crown of the world's biodiversity is patrolled by only 14 park guards in one battered, old pick-up truck, while the nearby Espejillos and Lomas de Arena protected areas under the jurisdiction of the Santa Cruz Government count on one park guard each.

Notwithstanding the myriad un-met threats, the primary causes of biodiversity loss and soil degradation are the relatively low-value unregulated livestock grazing and deforestation for small scale agriculture. Livestock enter forests to drink and graze, trampling herbs and fungi, consuming tree seedlings, and disrupting habitats for small animals. This reduces biodiversity and leads to soil compaction and higher sedimentation, which impair water quality and availability.

Many rural and peri-urban communities close to these KBAs depend on their streams and rivers for drinking water supplies. However, livestock contamination of water sources leads to high levels of faecal coliforms, resulting in severe health issues such as diarrheal diseases, which are particularly deadly for children under five. The lack of proper upstream conservation exacerbates water scarcity, as degraded forests fail to maintain water flow and quality, impacting both human and ecosystem health.

Economic pressures force communities to exploit natural resources unsustainably, leading to further environmental degradation. The immediate need for income often takes precedence over conservation, worsened by the lack of financial or legal mechanisms to fund conservation and/or water access projects.

The threats to these KBA are unique given their closeness to urban centers, but their location also allow for a unique solution. These KBAs are critical for providing water for cities like Santa Cruz de la Sierra, Tarija Capital, and Sucre. The good news – and the window of opportunity for this proposal -- is that the large number of water users in these cities could provide significant financing for KBA management.

Section 5 - Darwin Objectives and Conventions

Q14. Biodiversity Conventions, Treaties and Agreements

Q14a. Your project must support the commitments of one or more of the agreements listed below. Please indicate which agreement(s) will be supported.

- ☒ Convention on Biological Diversity (CBD)
- ☒ United Nations Framework Convention on Climate Change (UNFCCC)
- ☒ Global Goals for Sustainable Development (SDGs)

Q14b. National and International Policy Alignment

Using evidence where available, please detail how your project will contribute to national policy (including NBSAPs, NDCs, NAP etc.) and in turn international biodiversity and development conventions, treaties and agreements that the country is a signatory of.

Bolivia's NBSAPs under the CBD are outlined in the 2019-2030 National Biodiversity Strategy. This project will help achieve Strategic Line 3: "Maintenance of environmental functions and Living Well in harmony with Mother Earth, by promoting regional, sub-national and local actions for the conservation of ecosystems and species of flora and fauna" and in the Transversal Lines: "contributing to ecosystem-based adaptation as a strategy for socio-ecological resilience to climate change in life systems". Strengthening KBAs and municipal protected areas covering 200,000 hectares of KBAs directly aligns with NBSAP's goals of habitat conservation and species protection.

As part of its UNFCCC NDCs Bolivia expects to achieve a series of objectives in mitigation and adaptation. By protecting city water supplies, the project will specifically help "increase in a holistic manner the adaptation capacity and systematically reduce the hydric vulnerability in the country" and provide a "significant improvement of social participation for local water management" and "Increase food production under irrigation". Bolivia's NDCs also emphasize reducing GHG emissions: by better protecting 200,000 hectares KBAs the project will sequester significant volumes of carbon.

The project will contribute to Bolivia's National Adaptation Plan (NAP) by enhancing ecosystem-based adaptation. By implementing management plans across 200,000 hectares, the project will foster sustainable resource management, which is critical for climate adaptation. The project also aligns with the CBD by conserving critical habitats (including three Key Biodiversity Areas) and ensuring the sustainable use of biodiversity. The establishment and management of protected areas will safeguard genetic diversity and support the conservation of endangered species.

By supporting Bolivia's NDCs, our project aligns with the objectives of United Nations Framework Convention on Climate Change. The restoration of degraded lands and the reduction of deforestation are vital actions that contribute to global climate mitigation efforts

This project also aligns with the national poverty alleviation framework by contributing to multiple UN Sustainable Development Goals (SDGs):

1. SDG 1: End poverty: Financial security for local farmers vulnerable to climate change will be enhanced through development projects funded by the conservation agreements, thus helping diversify income streams.
2. SDG 2: End hunger, achieve food security and improved nutrition: The project will promote the adoption of perennial crops through the conservation agreements, fostering climate-resilient food supplies.
3. SDG 3: Ensure healthy lives/promote well-being: The conservation efforts will lead to improved water quality, aligning with health and well-being objectives.
4. SDG 5: Achieve gender equality and empower women: The project will encourage women's active participation and equal leadership opportunities within the monitors and patrolling programs, advancing gender equality.
5. SDG 6: Ensure access to water and sanitation: By protecting forested water sources, the project will contribute to water source preservation.
6. SDG 13: Take urgent action to combat climate change: Protecting water sources will enhance the capacity for climate change-related planning and management, including gender-focused initiatives.
7. SDG 15: Sustainably manage forests: The project will contribute to SFM through the conservation and restoration of forest ecosystems.

Section 6 - Method, Change Expected, GESI & Exit Strategy

Q15. Methodology

Describe the methods and approach you will use to achieve your intended Outcome and contribute towards your Impact. Provide information on:

- how you have reflected on and incorporated **evidence and lessons learnt** from past and present similar activities and projects in the design of this project.
- the specific approach you are using, supported by **evidence** that it will be effective, and **justifying why you expect it will be successful** in this context.
- how you will undertake the work (activities, materials and methods)
- what will be the **main activities** and where will these take place.
- how you will **manage the work** (governance, roles and responsibilities, project management tools, risks etc.).

Areas (KBAs) Amboró, Cajamarca and Rio Guadalquiver/Sama, enhancing the biodiversity and hydrological health of 200,000 hectares of biodiverse water- producing forests and grasslands through sustainable financing mechanisms.

The project will build on lessons learned from previous initiatives led by Natura, in which we have helped establish more than 90 Water Funds across Bolivia, primarily in towns and small cities (max population 60,000 -70,000).

This project will scale the impact of our water fund model to cities of 300,000 - 1 million inhabitants. This will require a shift in our process and methods, but we are already making progress in Sucre and Tarija (Bolivia's sixth and seventh largest cities), and so are confident that we can scale the model.

Our experience suggests that the challenge of jumping from smaller to larger cities is innately political. For example, the Water Cooperative of the city of Tarija has already expressed its commitment to a Water Fund, but political leaders in the city want Fund creation to be political rather than technical (as Fund creation is in small cities). We think that we therefore need five years complete the political process. We recognize that we cannot control politics, so we will use Darwin funds to prove the technical arguments, focusing on the 7-10 towns and small cities that are geographically located between the capital cities and their water sources.

In this project our municipal government partners will create and strengthen a series of smaller Water Funds and to improve protected area management and watershed protection. Having such activities successfully underway will ensure that when the political stars are in alignment, we are ready to legally create the city-based Water Funds.

Our first activity package therefore focuses on establishing Water Funds, i.e. developing the legal, financial, and governance frameworks for Water Funds in three large cities. This will be led by Natura, with technical and political support from the municipal government partners includes creating constitution models, establishing governance mechanisms, and setting up financial systems that ensure conservation and sustainable use. These activities involve extensive consultations and capacity building with local governments, legal experts, and stakeholders.

Conservation Agreements are the mechanism by which the water users who benefit from conservation can help upstream communities in and around a Key Biodiversity Area and its buffer zone cover their costs of conservation. In practice, this means providing residents with development projects such as honey or fruit production or irrigation systems, in exchange for written 5- or 10-year commitments to protect their watersheds, forests and wildlife. This crucial missing piece in many situations is that conservation agreements require long term financing. To ensure that communities benefit, Natura will work with Coca Cola to implement sustainable livelihood programs such as sustainable agriculture, honey production, and eco-tourism among others. Signed long term conservation agreements with local communities will ensure direct and continuous economic benefits.

To monitor biodiversity and water resources, we will train local forest guardians in patrolling and the use of tools like SMART, camera traps, and hydrological monitoring. This community-based reporting system will allow a

better assessment of biodiversity and water health and will simultaneously increase knowledge and perception of the local population, Natura will oversee overall project management and implementation, focusing on developing technical and financial models. We will handle the legal framework development, and will design and implement communication strategies, and our innovation laboratory will lead the monitoring components. A project governing body, consisting of representatives from each institution, will track risks, ensure compliance with laws, and guide implementation to meet requirements and project milestones.

Natura's pan-Andean Watershed program, which has successfully conserved more than 800,000 hectares of forests in Bolivia, Colombia, Peru, and Ecuador, serves as a foundation for this project. We already have good evidence that our approach is sustainable. Natura has already piloted, refined, and replicated its conservation finance approach in 80 Bolivian municipalities (21-008 and DARNV006), and partners have replicated the model in Colombia, Ecuador, and Peru (DARCC036). Many of these programs are now running without any further donor investments. These BCF projects plus Natura's previous experiences, have demonstrated the viability of the Water Fund mechanism, which can incentivize upstream forest conservation through economic and non-economic benefits to local communities. The new project will build on these successes, adapting the model to be fully financed by local governments, ensuring scalability and sustainability.

Q16. Capability and Capacity

How will the project support the strengthening of capability and capacity of identified local and national partners, and stakeholders during its lifetime at organisational or individual levels? Please provide details of what form this will take, who will benefit (noting GESI considerations), and the post-project value to the country.

Through this project we will build our capacity and that of our partners and beneficiaries. Indeed, this project's underlying objective is to build Bolivia's capacity to manage its economies and its biodiversity. Families who receive the economic development projects will be trained in how to use them and hence in how to increase their productivity and incomes. Our goal is to leave beneficiary communities better trained and better equipped to both develop their economies and protect their environment.

We will also focus on building capacity of government technicians in PA creation, management, finance, and monitoring. We have trained communities around PAs to develop teams of "forest guardians" who monitor species and threats.

Parts of Outputs 2 and 3 are dedicated to strengthening the capacity of IPLC and government technicians. These capability and capacity building objectives are reflected in four of our indicators, namely that: 1.1. Three water funds are created and consolidated, 1.2 and 1.3 Three governance and financial mechanisms are established, and 2.1 100 local forest guardians from upstream communities are trained

These output indicators will be achieved through training workshops and exchanges with other jurisdictions. We expect that after these exchanges, municipal technicians and community members will be well-versed in the management of their protected areas. This, we hope, will both lead to better conservation outcomes and prompt national-, state- and municipal- governments to promote policies and laws that prioritize conservation, climate change adaptation and mitigation.

Five of the eight key project staff are female, and all our capacity building will have a relentless focus on gender equality, social inclusion and improving opportunities for minorities. The project includes a continuous, critical transversal activity, 3.1 Undertake analyses and awareness-building exercises to ensure that activities (especially those linked to poverty alleviation and PA management) are gender- youth- and other minority- positive.

Q17. Gender Equality and Social Inclusion (GESI)

All applicants must consider whether and how their project will contribute to promoting equality between persons of different gender and social characteristics. Please include reference to the GESI context in which your project seeks to work. Explain your understanding of how individuals may be disadvantaged or excluded from equal participation within the context of your project, and how you seek to address this. You should consider how your project will proactively contribute to ensuring individuals achieve equitable outcomes and how you will ensure meaningful participation for all those engaged.

Women and marginalized groups often face significant barriers to participation in conservation. This exclusion stems from traditional gender roles and limited access to education and economic resources, which result in unequal decision-making power and benefits. In the often-male dominated culture of Bolivia, women's and especially girl's voices are rarely heard. We have therefore designed a gender-transformative and socially inclusive project and will focus on gender and social inclusion throughout implementation:

1. Inclusive Planning and Decision-Making: We will ensure participation of women and marginalized groups in all activities, running dedicated workshops and consultations to ensure that their voices are heard.
2. Economic Empowerment: We will ensure that the livelihood programs are equally accessible to all community members. Women are most usually responsible for collecting and managing household water supplies, so by prioritizing development projects that enhance water access, we will immediately improve the living standards of many women. We will prioritize other types of compensation that benefit women, such as beehives and other tools for honey production. We will ensure that by project end at least 50% of local landowners benefiting from increased incomes are women, and we will only sign conservation agreements when a woman is a co-signer.
3. Capacity Building: Training programs for community guardians will prioritize the inclusion of women and marginalized groups, providing them with the skills and resources needed for effective participation.
4. Monitoring and Evaluation: We will incorporate GESI indicators in our monitoring framework to track progress and ensure that our activities contribute to equitable outcomes, and that we can adjust strategies to better support social inclusion.

By embedding GESI principles in all activities, we aim to foster an inclusive environment where all individuals can equally contribute to and benefit from conservation efforts.

Q18. Change expected

Detail the expected changes and benefits to both biodiversity and multi-dimensional poverty reduction, and links between them, that this work will deliver. You should identify what will change and who exactly will benefit a) in the short-term (i.e. during the life of the project) and b) in the long-term (after the project has ended).

When talking about how people will benefit, please remember to give details of who will benefit, differences in benefits by gender or other layers of diversity within stakeholders, and the number of beneficiaries expected. The number of communities is insufficient detail – number of households should be the largest unit used.

The Water Fund plus Conservation Agreements model appears applicable across many different landscapes (e.g. DARNV004, which applied the model in the Comoros), but our project will focus on mega diverse cloud forests of the tropical Andes. Our actions will focus on land protection and management and livelihood, economic and other incentives. The model is eminently replicable and scalable, as we showed in the project DARCC036 Building Capacity for Watershed Agreements in the Tropical Andes.

Short-Term Change expected

Biodiversity: KBAs management will be strengthened on 200,000 hectares of forests and grasslands, leading to

immediate enhancements in biodiversity.

0.3 750 conservation agreements are signed with upstream local communities close to/in KBAs

0.4 200,000 hectares of forests and grasslands within KBAs and in or close to protected areas are being managed under participatively developed conservation action plans

Enhanced Biodiversity Monitoring: The implementation of a biodiversity monitoring system will provide valuable data on the health of ecosystems and species populations, guiding adaptive management practices.

2.2 Three community-based reporting systems are implemented and connected to the national parks, municipal governments and water cooperatives, to document biodiversity and water health indicators in each KBA

3.2 15 biodiversity and water recharge priority areas covering 4,000 ha are restored (passive regeneration and native species enrichment) and 100,000 ha are being patrolled and protected by local communities and farmers

Poverty Reduction:

Economic Benefits: 5,000 local community members will receive direct economic benefits from conservation activities, with at least 30% of beneficiaries will be women, helping to reduce gender disparities in income and economic opportunities.

0.1 Sustainable financial mechanisms for conservation are developed and implemented above three of Bolivia's largest cities (population > 250,000)

0.2 City governments, water users and the private sector invest [REDACTED] per year in KBA conservation and protection

3.1 4,000 local community members in and around KBAs have received livelihood projects (e.g. honey production, improved water access) worth [REDACTED]

3.3 Incomes of project beneficiaries increase by 10% with at least 50% of the beneficiaries being women

Improvements to human health

2.4 Faecal coliform load reduced to zero in 50% of water intakes inside the KBAs

2.5 Additional aquifer replenishment of 1.5 ML/ year

Capacity Building: Training programs will empower community members, particularly women, with new skills and knowledge

2.1 100 local forest guardians from upstream KBA communities are trained in the use of SMART tools, camera trap networks, hydrological monitoring tools, and others,

Long-Term Change expected

Sustainable Biodiversity Management: The creation and consolidation of the five Water Fund financing mechanisms will ensure long-term sustainability of the KBAs

Poverty Reduction through sustained economic benefits: Alternative livelihoods projects introduced will enhance community members resilience to economic shocks and reducing multi-dimensional poverty, and the Water Fund mechanisms will continue this support into the future.

Gender Equality: The focus on women's participation and benefits will lead to lasting improvements in gender equality, with women continuing to have greater economic opportunities and decision-making power.

Q19. Pathway to change

Please outline your project's expected pathway to change.

The project's pathway to change is to systematically achieve sustainable biodiversity conservation and multi-dimensional poverty reduction through the establishment of Water Funds. We will consolidate these sustainable financing mechanisms, to finance conservation activities and better management practices over 300,000

hectares of biodiverse water-producing forests and grasslands.

The long-term change starts with the creation of governance frameworks (Water Funds) that provide the financial stability needed for continuous conservation efforts. We do not intend to implement a short-term project but rather expect to develop the institutional infrastructure to enable a long-term program.

Once sustainable financing has been secured, then our next step is to facilitate local leadership in upstream conservation activities. We will train local forest guardians and establish a community-based monitoring system. In exchange for these community-based conservation activities, we will facilitate investments from the downstream water funds into livelihood projects that economically empower upstream communities.

In the longer term, the project will use the Sustainable Financing structures to secure the conservation status of the KBAs, ensuring they continue to provide essential ecosystem services and support local livelihoods. This integrated approach will result in a resilient environment and sustainable economic development for the communities involved.

Q20. Sustainable benefits and scaling potential

Q20a. How will the project reach a point where benefits can be sustained post-funding? How will the required knowledge and skills remain available to sustain the benefits? How will you ensure your data and evidence will be accessible to others?

Intrinsic to our project is the development of new financing mechanisms – city-based Water funds (Outcome 0.1) – by which benefits continue post project, and we already have good evidence that our approach is self-sustaining. Natura has already piloted, refined, and replicated its conservation finance approach in 80 Bolivian municipalities (21-008 and DARNV006), and partners have replicated the model in Colombia, Ecuador, and Peru (DARCC036). Many of these programs are now running (e.g. in 14 Colombian municipalities) without any further donor investments. Since 2015 Natura has increasingly used this financing model to support protected area and KBA management. We will spend significant project funds on data collection, learning and capacity building. To ensure that our data and evidence will be accessible, we will publish significant results in scientific and popular media, and all partners will incorporate our learnings into periodical workshops and conferences.

Q20b. If your approach works, what potential is there for scaling the approach further? Refer to Scalable Approaches (Landscape, Replication, System Change, Capacitation) in the guidance. What might prevent scaling, and how could this be addressed?

We have good evidence from 20 years of experience across the Andes that our Water Fund model is an effective combination of laws, incentives and institutions.

Our primary scaling model is systems change scaling, by which we support changes in legislation and structures to create and strengthen municipal conservation finance mechanisms. This project will build/strengthen such institutions in 7 municipalities. These new institutions require significant capacitation scaling, which we will undertake through training of community members, municipal technicians and local authorities.

Once we successfully create the city-based Water Funds, they are scaling mechanisms in themselves. Water Funds can unlock significant new conservation money from water users, both public, such as the city of Santa Cruz, and private such as Coca Cola. The Quito Water Fund was initiated with [REDACTED] and now has [REDACTED] and work in two national protected areas. We project similar growth for our city Water Funds.

If necessary, please provide supporting documentation e.g. maps, diagrams, references etc., as a PDF using the File Upload below.

Section 7 - Risk Management

Q21. Risk Management

Please outline the 7 key risks to achievement of your Project Outcome and how these risks will be managed and mitigated, referring to the Risk Guidance. This should include at least one Fiduciary, two Safeguarding, and one Delivery Chain Risk.

Risk Description	Impact	Prob.	Gross Risk	Mitigation Header	Residual Risk
Fiduciary (financial): funds not used for intended purposes or not accounted for (fraud, corruption, mishandling or misappropriated). Partners, especially program participants who are not staff, misuse funds or payments are not accounted for	moderate	rare	low	Natura accounting and safeguards system has been used with and approved by government donors including USAID ([REDACTED]) The EU ([REDACTED]) and the IADB [REDACTED] We have just successfully completed our final financial reporting and audit for DARNV006 and passed a spot audit of DARCC036 expenses.	minor
Safeguarding: risk of sexual exploitation abuse and harassment (SEAH), or unintended harm to beneficiaries, the public, implementing partners, and staff. Participants will travel significantly along potentially dangerous roads, resulting in risk of accidents causing death or serious injury	moderate	rare	low	Natura's travel policies require no travel after dark, respect of speed limits, defensive driving, and vehicle tracking in real time using GPS. We will also take out accident insurance policies for all participants.	minor
Safeguarding: risks to health, safety and security (HSS) of beneficiaries, the public. Implementing partners, and staff. Sexual or other harassment or abuse of participants and project staff	minor	unlikely	low	All participants will have to read and sign our safeguards policy. We will identify and publicize the contact details of a female project staff member to be the point of contact for complaints and concerns, to whom anonymous complaints can be made.	minor

Delivery Chain: the overall risk associated with your delivery model	moderate	possible	low	Natura leverages significant municipal funds [REDACTED] and our experiences suggests that the municipal commitments are trustworthy. Natura also commits to cover all the all the projected municipal match funding should these partners ultimately fail to pay.	minor
Risk 5 Conflict between upstream and downstream communities or other stakeholders	moderate	possible	moderate	Our negotiation model is a cooperative community-based participative process, and so can help resolve such conflicts. Our offer to invest along with our primary concept of reciprocity has been shown to be a low-cost, local mechanism for conflict resolution.	minor
Risk 6 Economic crisis and political instability cause strikes and demonstrations, delaying project	moderate	possible	moderate	Strikes and demonstrations are usually restricted to urban areas. Our fieldwork in rural areas will likely only be affected by potential petrol shortages, so if necessary, we will store petrol in our field offices	moderate
Risk 7 Exchange rate fluctuations may cause rapid local currency cost increase	moderate	possible	moderate	Natura has a bank account in the United States, so we will closely regulate cashflow to Bolivia to ensure that exchange rate fluctuations could only affect small value of funds	minor

Q22. Project sensitivities

Please indicate whether there are sensitivities associated with this project that need to be considered if details are published (detailed species location data that would increase threats, political sensitivities, prosecutions for illegal activities, security of staff etc.).

☒ No

Section 8 - Workplan

Q23. Workplan

Provide a project implementation timetable that shows the key milestones in project activities.

Section 9 - Monitoring and Evaluation

Q24. Monitoring and evaluation (M&E)

Describe how the performance of the project will be monitored and evaluated, making reference to who is responsible for the project's M&E.

Darwin Initiative projects are expected to be adaptive and you should detail how the monitoring and evaluation will feed into the delivery of the project including its management. M&E is expected to be built into the project and not an 'add' on. It is as important to measure for negative impacts as it is for positive impact. Additionally, please indicate an approximate budget and level of effort (person days) to be spent on M&E.

Monitoring, research, and evaluation will be critical to understand how we can best scale our impact. Biodiversity monitoring will be led by Andrea Alvarez and supported by Fatima Baqueros. To evaluate biodiversity impact, we will monitor the number of hectares legally protected and restored and their estimated biomass. The details of each law, accompanied by GPS points and maps, will verify newly protected hectares. Biomass estimates will be deduced from the number of hectares conserved and existing studies, enabling an accurate assessment of carbon sequestration. We will also use community guardian patrolling reports and camera traps.

To evaluate community/social impact we will undertake baseline and endline socioeconomic and perception surveys. Community engagement will be monitored through the number of community members and families involved in project activities such as patrolling.

Ecosystem connectivity and climate impact will be tracked through hectares under management plans, frequency and length of monitoring patrols, and sightings of indicator and endangered species, including detailed reports, GPS points of patrols, species lists, and photographs

These data will serve as the cornerstone for evaluating project impact. Natura field staff and municipal staff will undertake data collection for other variables, conducting informal interviews with project participants and participants' families. These data will be processed, analyzed, and stored within Natura, facilitating a holistic assessment of project impacts on biodiversity, communities, and climate. Insights will allow for a comprehensive evaluation of the project's effectiveness in achieving its goals and overall impact.

Fatima Baqueros will also be responsible for ensuring that the project is on track against intended milestones and targets and will scan for and track unintended consequences. This will be undertaken primarily through on-line interviews.

We will monitor implementation of activities to ensure that they occur according to the pre-defined work plan. We will also track the internal capacity of each of the partner institutions in their use and management of funds, and their performance in undertaking activities and delivering expected results. This will be undertaken through written and verbal reports from each institution's staff.

The project administrator (Ines Martinez) will ensure that the project complies with all laws and ensures that we meet Darwin's and other ethical and safe-guarding requirements. Martinez will also monitor risks and assumptions, as well as political and institutional factors that influence project progress. Finally, Martinez will track the use of inputs for activities and the forecasting of costs and budget monitoring, ensure that there are clear and audited accounting procedures, and adequate safeguards to prevent fraud and corruption. This will be

undertaken through visits to municipal government offices and verbal and written reports from each partner's administrative and accounting teams.

Total project budget for M&E (£)	
(this may include Staff and Travel and Subsistence Costs)	
Total project budget for M&E (%)	
(this may include Staff and Travel and Subsistence Costs)	
Number of days planned for M&E	

Section 10 - Logical Framework & Standard Indicators

Q25a. Logical Framework (logframe)

Darwin Initiative projects will be required to monitor and report against their progress towards their Outputs and Outcome. This section sets out the expected Outputs and Outcome of your project, how you will measure progress against these and how we can verify this.

 [Natura-Bolivia-KBA-logframe](#)

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Impact:

The conservation status of three Key Biodiversity Areas (KBAs) above Bolivian cities is improved and secured through activities funded by the development and capitalization of new sustainable financing mechanisms.

Outcome:

The biodiversity and hydrological status of 200,000 hectares of biodiverse water-producing forests and grasslands are enhanced through improved management, and protection, and the implementation of conservation agreements with local communities

Project Outputs

Output 1:

Sustainable conservation financing mechanisms (Water Funds) are created and strengthened for three Bolivian cities.

Output 2:

A consolidated biodiversity and water resources monitoring system is connected to each water fund, that includes communities in a participatory approach to patrolling, recognizing and valuing ecosystem services.

Output 3:

4,000 local community members receive direct and continuous economic benefits in exchange for conservation activities, such as monitoring and patrolling

Output 4:

No Response

Output 5:

No Response

Do you require more Output fields?

☒ No

Activities

Each activity is numbered according to the Output that it will contribute towards, for example, 1.1, 1.2, 1.3 are contributing to Output 1.

- 1.1 Analyse existing legal frameworks: Review current laws and regulations related to Regional/City Water Fund creation.
- 1.2 Consult with legal experts and stakeholders: Hold workshops and meetings with municipal authorities, legal advisors, and community representatives to gather input and ensure alignment with local and national regulations.
- 1.3 Draft the legal framework: Develop draft documents including statutes, bylaws, and operational guidelines.
- 1.4 Run social marketing/awareness building programs (based on Rare's "pride" campaign model) to build support from authorities and communities
- 1.5 Validate and approve the legal framework: Present the draft documents to relevant authorities for feedback and approval.
- 1.6 Design governance structures: Define roles, responsibilities, and composition of governing bodies such as boards and committees.
- 1.7 Set up interinstitutional platforms: Facilitate formation of partnerships between municipal governments, private sector stakeholders, community groups.
- 1.8 Formalize governance mechanisms: Officially establish the governance bodies through formal agreements and documentation.
- 1.9 Establish the technical secretariat: Recruit and train staff for the secretariat, which will manage the day-to-day operations of the Water Funds.
- 1.10 Conduct training and capacity building: Provide training sessions for members of the governance structures on their roles and responsibilities.
- 1.11 Develop financial models: Create detailed financial plans including budget allocations, funding sources, and revenue generation strategies.
- 1.12 Set up financial/administrative processes: Develop/implement standard operating procedures for financial management, reporting, and accountability.
- 1.13 Identify potential funding sources: Research and identify international, national, and local funding opportunities.
- 1.14 Develop funding proposals: Write and submit proposals to secure grants and donations for Water Funds
- 1.15 Undertake fundraising campaigns: Organize events and initiatives to attract funding from donors, businesses, governmental bodies.
- 1.16 Foster partnerships: Engage with private sector partners to secure co-funding and corporate social responsibility contributions.
- 1.17 Monitor and report on funding growth: Track and report on the increase in funding to ensure transparency and accountability.
- 2.1 Design and establish monitoring frameworks: Develop indicators and metrics to assess the performance and impact of the Regional/City Water Funds.
- 2.2 Design and undertake monitoring training programs for upstream community members (AKA forest guardians")

- 2.3 Support and equip forest guardians as they undertake regular monitoring patrols: carry out periodic evaluations to measure progress and identify areas for improvement.
- 2.4 Undertake field and desk/laboratory analyses of water quantity and quality
- 2.5 Report findings: Compile and publish annual reports detailing the outcomes and impacts of the Water Funds.
- 2.6 Adjust strategies: Use the evaluation findings to refine and improve the management and operation of the Water Funds.
- 3.1 Undertake analyses and awareness-building exercises for staff to ensure that all activities (especially those linked to poverty alleviation and protected area creation) are gender- youth- and other minority- positive.
- 3.2 Sign agreements with at least 50 communities exchanging the delivery of development projects (e.g., honey production, irrigation systems) for conservation commitments (ensuring 50% women participation).
- 3.3 Train community members in the use of their development projects to ensure improvements in livelihoods
- 3.4 Conduct a baseline study to identify priority areas within and around the KBAs for revegetation or restoration considering land cover, soil type, land tenure and owner willingness.
- 3.5 Develop and support the implementation of management plans for six protected areas in and around the KBAs
- 3.6 Define the process in the municipal governments for the nurseries to grow seeds and seedlings, transport and transplantation
- 3.7 Help communities implement revegetation and restoration activities on identified priority areas, aiming to complete 4,000 hectares.
- 3.8 Monitor annually the change in biomass and document the amount of CO₂e sequestered annually with the official formulas for carbon sequestration.

Q25b. Standard Indicators

Standard Indicator Ref & Wording	Project Output or Outcome this links to	Target number by project end	Provide disaggregated targets here
DI-D01: Area of land or sea under ecological management	Outcome 0.4	200,000	hectares
DI-D07: Number of threatened species with improving conservation status	Output 2.3	1	spectacled bear
DI-D02: Ecosystem Loss Avoided	Output 3.2	4,000	hectares
DI-D05: Number of people whose climate and disaster-resilience has been improved	Output 3.1	4,000	2000 male (of whom 1000 boys) 2000 female (of whom 1000 girls)
DI-A03: Number of local or national organisations with enhanced capability and capacity	Output 1.1	3	Water Funds

DI-B07: Number of policies with biodiversity provisions that have been enacted or amended	Outcome 0.1	3	Water Funds
DI-B03: Number of new or improved community management plans available and endorsed	Output 3, activity 3.5	6	No Response
DI-D04: Number of people with enhanced wellbeing	Output 3.3	4,000	2000 male (of whom 1000 boys) 2000 female (of whom 1000 girls)
No Response	No Response	No Response	No Response
No Response	No Response	No Response	No Response
No Response	No Response	No Response	No Response
No Response	No Response	No Response	No Response
No Response	No Response	No Response	No Response
No Response	No Response	No Response	No Response

If you cannot identify three Standard Indicators you can report against, please justify this here.

No Response

Section 11 - Budget and Funding

Q26. Budget

Please complete the appropriate Excel spreadsheet, which provides the Budget for this application and ensure the Summary page is fully completed. Some of the questions earlier and below refer to the information in this spreadsheet.

 [Natura-Bolivia-KBA-budget](#)

 02/12/2024

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 xlsx 101.71 KB

Q27. Alignment with other funding and activities

This question aims to help us understand how familiar you are with other work in the geographic/thematic area, and how this proposed project will build on or align with this to avoid any risks of duplicating or conflicting activities.

Q27a. Is this new work or does it build on existing/past activities (delivered by anyone and funded through any source)?

☒ Development of existing/past activities

Please provide details:

The project will build on lessons learned from a series of BCF projects: the creation and management of Protected Areas created in DAR21008, the potential for conservation agreements to create and finance protected areas (lessons from IW109), how to facilitate state and municipal government support for watershed protection (DARNV006) and the best practices on conservation agreements (DARCC036). Indeed, this project will overlap with the tail-end IWT109 DARCC036 to implement the scaling lessons of these projects more seamlessly.

As well as partners experiences in Bolivia, one of the primary experiences from which we are learning lessons is the Quito Water Fund, having recently led a delegation of politicians and technicians to Ecuador. We also have partners in the city of Cali (Colombia) and strong links to TNC's international Water Fund program with whom we will collaborate and exchange lessons. We also have strong partnerships with each city government and with NGOs working on similar themes (e.g. Armonía in Cochabamba) and will include them in project planning.

Q27b. Are you aware of any current or future plans for work in the geographic/thematic area to the proposed project that may duplicate or cut across this proposed project?

☒ No

Q28. Value for Money

Please demonstrate why your project is good value for money in terms of impact and cost-effectiveness of each pound spend (economy, efficiency, effectiveness and equity). Why is it the best feasible project for the amount of money to be spent?

We will ensure good value for money in four ways:

Economic: This project has been designed primarily as a catalyst for leverage other financing for forest conservation biodiversity management and poverty alleviation. We will use Darwin funds to catalyze municipal and city investments and to pay staff time and operating costs to institutionalize this support for the long term. Our experience in 80 municipalities creating similar water conservation funds shows a clear and proven path to sustainable financing using this model. Moreover, we will bring almost ██████████ in match finding the project, significantly leveraging the Darwin investment.

Efficiency: We will build on and take advantage of decades worth of intellectual property of consortium partners on protected area creation, incentive-based conservation and Water Fund creation, research and management (see list of references of our work).

Effectiveness: Our project will have significant leverage and replication potential, as we will be training young professionals who will stay within their institutions in municipal governments to implement, repeat, and copy what they have learned.

Equity: Our project is focused on improving water access for some of the poorest members of Bolivian society. Many of the families we serve have never had piped water in their houses until our interventions. At least 50% of project beneficiaries will be female. As the family members usually responsible for collecting and carrying water, women will gain the most with improved access to water.

Q29. Capital items

If you plan to purchase capital items with Darwin Initiative funding, please indicate what you anticipate will happen to the items following project end. If you are requesting more than 10% capital costs, please provide your justification here.

Not applicable

Section 12 - Safeguarding and Ethics

Q30. Safeguarding

All projects funded under the Biodiversity Challenge Funds must ensure proactive action is taken to promote the welfare and protect all individuals involved in the project (staff, implementing partners, the public and beneficiaries) from harm. In order to provide assurance of this, projects are required to have specific procedures and policies in operation.

Please outline how your project will ensure:

- (a) beneficiaries, the public, implementing partners, and staff are made aware of your safeguarding commitment and how they can confidentially raise a concern,**
- (b) safeguarding issues are investigated, recorded and what disciplinary procedures are in place when allegations and complaints are upheld,**
- (c) you will ensure project partners also meet these standards and policies.**

Indicate which minimum standard protocol your project follows and how you meet those minimum standards, i.e. CAPSEAH, CHS, IASC MOS-PSEA. If your approach is currently limited or in the early stages of development, please clearly set out your plans to address this.

All project partners commit to safeguarding and to zero tolerance to inaction. Natura commits, and commits our partners, to CAPSEAH minimum standards. Our safeguards policy applies to our staff and partners and beneficiaries. All new staff are required to read, be trained in, and agree to the safeguard policy, and all potential partners are required to be bound by safeguard policy before they are accepted as partners.

Acceptance requires a commitment to enforce the agreement with next level partners, meaning that there is a cascade effect of all partners and sub-partners agreeing to be bound by the principles. Our main implementation tool is continual retraining and reminding of staff/partners of their commitment to safeguard and other best practices. Our Safeguarding budget provides funds for:

1. Prevention measures: awareness raising, risk analysis, recruitment procedures, induction of staff in the policy and codes of conduct for Natura representatives and incorporation of the policy into relevant existing systems.
2. Reporting and responding measures: steps for alerting and reporting safeguarding concerns, investigation and incident management, duties and responsibilities of assigned managers and safeguarding focal point persons.
3. Training and capacity building of staff and partners.

Our Whistleblowing Policy details a clear process for dealing with concerns raised and protects whistle blowers from reprisals, while our Code of Conduct sets out clear expectations of behaviours for staff and makes clear what will happen in the event of non-compliance or breach of these standards.

Defra recommend you appoint a safeguarding focal point to ensure the project's PSEAH work is taken forward. This can be a separate member of staff or a current member of staff who spends a proportionate amount of time for safeguarding and PSEAH activities. Please name this individual here - this person should also be included in your overall staff list at Q33 and in your budget.

[REDACTED]

Q31. Ethics

Outline your approach to meeting the key principles of good ethical practice, as outlined in the guidance.

We have not identified any potential human rights and/or international humanitarian law risks in relation to our project.

We commit to meeting all legal and ethical obligations and will ensure compliance by working with national state

and local governments, and community governance structures, to ensure a transparent, deliberative, decision-making process.

All project staff and participants are Bolivians, with most living in the project area. We are therefore confident that the perspectives, interests, and wellbeing of those directly affected by the project will be properly addressed.

We will respect the rights, privacy, and safety of people who are the subject of project activities or other intended beneficiaries by ensuring that all responses are kept anonymous, and only summary data are presented and analyzed. We will uphold the credibility of any research and other findings by committing to the independent publication of lessons learned and a project impact evaluation.

We will ensure that transactions are based on FPIC, by having municipal government officials help lead, manage, and guide the project, and will stop activities if we suspect FPIC is not being upheld. In general, we will rely on community governance structures to guide us.

Section 13 - British Embassy or High Commission Engagement

Q32. British embassy or high commission engagement

It is important for UK Government representatives to understand if UK funding might be spent in the project country/ies.

Please indicate if you have contacted the relevant British embassy or high commission to discuss the project and attach details of any advice you have received from them. Please note that some embassies or high commissions may not be able to respond to you but your project will not be penalised for a lack of response.

☒ Yes

Please attach evidence of request or advice if received.

-  [British Embassy Engagement](#)
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Section 14 - Project Staff

Q33. Project staff

Please identify the core staff (identified in the budget), their role and what % of their time they will be working on the project.

Name (First name, Surname)	Role	% time on project	1 page CV or job description attached?
Fatima Baqueros	Project Leader	100	Checked
Alicia Bustillos	Policy and Advocacy	25	Checked

Faviola Porcel	Legal Lead	25	Checked
Henry Bloomfield	Amboro KBA Lead	50	Checked

Do you require more fields?

☒ Yes

Name (First name, Surname)	Role	% time on project	1 page CV or job description attached?
Gualberto Cavallo	Rio Guadalquivir and Sama KBA Lead	50	Checked
Gonzalo Vega	Cajamarca KBA Lead	50	Checked
Claudia Fernandez	Private Sector Engagement and Communication	10	Checked
Carina Castro	Government Relations and PA management	10	Checked
No Response	No Response	No Response	Unchecked
No Response	No Response	No Response	Unchecked
No Response	No Response	No Response	Unchecked
No Response	No Response	No Response	Unchecked

Please provide 1 page CVs (or job description if yet to be recruited) for the project staff listed above as a combined PDF.

 [Natura-Bolivia-KBA-CV](#)

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Have you attached all project staff CVs?

☒ Yes

Section 15 - Project Partners

Q34. Project Partners

Please list all the Project Partners (including the Lead Organisation who will administer the grant and coordinate delivery of the project), clearly setting out their roles and responsibilities in the project including the extent of their engagement so far.

This section should demonstrate the capability and capacity of the Project Partners to successfully deliver the project. Please provide Letters of Support for all project partners or explain why this has not been included. The order of the letters must be the same as the order they are presented in below.

Lead Organisation name:	Fundación Natura Bolivia
Website address:	www.naturabolivia.org
Why is this organisation the Lead Organisation, and what value to they bring to the project? (including roles, responsibilities and capabilities and capacity):	Working with State and Municipal governments, Natura has helped create and support the initial management of more than 4 million hectares of new protected areas across 23 municipalities in four Bolivian departments. Natura has also pioneered the use of incentive-based conservation in Bolivia. Naturas watershed agreements model ("Watershared") has been replicated in Colombia, Ecuador, Peru, and Mexico, and has been discussed, revised, improved upon, and piloted in countries as far apart as Argentina, Kenya, and India. In addition to directly training staff from more than 100 local governments, Natura and our academic colleagues have published the results of our experiences in more than 15 peer-reviewed articles in international journals. Our institutional focus is on a tight circle of implementation, with learning, publication and training then leading to improved implementation and replication. Natura's role in the project will comprise general leadership and management, with a specific focus on lesson learning replication and scaling. Natura's capacities include a staff of 80 based in five field offices across Bolivia, and a dedicated finance and administrative team that has previously managed funds from donors such as USAID, the European Commission, the Interamerican Development Bank and the Nordic Development Bank.
International/In-country Partner:	☒ In-country
Allocated budget (proportion or value):	
Representation on the Project Board (or other management structure):	☒ Yes
Have you included a Letter of Support from the Lead Organisation?	☒ Yes

Do you have partners involved in the Project?

☒ Yes

1. Partner Name:	Municipal Governments of Sucre, Buena Vista, El Torno, La Guardia, Uriondo, El Puente, Yunchara and Santa Cruz
Website address:	Local governments in Bolivia do not tend to have websites

What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	The Municipal governments of Sucre, Buena Vista, El Torno, La Guardia, Uriondo, El Puente, Yunchara and Santa Cruz will play a fundamental role in project design, and implementation in their jurisdictions. Their primary role will be to create the protect areas, co-finance and administer the conservation agreements, and design the institutional structures to continue the Water Funds after Darwin Funding ends. Technicians and lawyers will develop the required legal mechanisms, based on models developed by Natura over the last 20 years for creation of Municipal Water Funds. Elected officials will then pass the appropriate legislation to formalize funding. The Municipal governments will also provide counterpart funding to purchase inputs for development projects. Municipal technicians will receive training in how to implement the development projects, and they will then train community members. Municipal technicians will also be trained in data collection and will collect baseline and endline data. Throughout the project, Municipal governments will provide political support, helping with the social marketing and community awareness campaigns, and building local ownership of the results.
International/In-country Partner:	☒ In-country
Allocated budget:	
Representation on the Project Board (or other management structure):	☒ Yes
Have you included a Letter of Support from this partner?	☒ Yes

2. Partner Name:	Coca Cola Bolivia
Website address:	https://www.coca-cola.com/bo/es/media-center/fundacion-coca-cola-alianzas
What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	Coca Cola has been working with Natura since 2017, ensuring the replenishment of the company's water footprint in Bolivia. Our alliance has been very successful, having replenished the Santa Cruz and La Paz aquifers with more than 4.1 million m3 of water through the conservation of 61,493 hectares of forests important for water supply. The program has benefited 5,000 families from 15 municipalities of Santa Cruz, Cochabamba and La Paz with productive development project and access to clean water. The role of Coca Cola in the project will be to synthesize and discuss lessons from these previous experiences, promote the Water Fund model and to co-finance local governments to invest in green/grey infrastructure. Coca Cola will also provide their legal and marketing support to the convince other private sector actors to partner with and finance the new Water Funds.
International/In-country Partner:	☒ In-country

Allocated budget:	
Representation on the Project Board (or other management structure):	☒ Yes
Have you included a Letter of Support from this partner?	☒ Yes

3. Partner Name:	<i>No Response</i>
Website address:	<i>No Response</i>
What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	<i>No Response</i>
International/In-country Partner:	☐ International ☐ In-country
Allocated budget:	<i>No Response</i>
Representation on the Project Board (or other management structure)	☐ Yes ☐ No
Have you included a Letter of Support from this partner?	☐ Yes ☐ No

4. Partner Name:	<i>No Response</i>
Website address:	<i>No Response</i>
What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	<i>No Response</i>
International/In-country Partner:	☐ International ☐ In-country
Allocated budget:	<i>No Response</i>
Representation on the Project Board (or other management structure):	☐ Yes ☐ No
Have you included a Letter of Support from this partner?	☐ Yes ☐ No

5. Partner Name:	<i>No Response</i>
Website address:	<i>No Response</i>
What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	<i>No Response</i>
International/In-country Partner:	☐ International ☐ In-country
Allocated budget:	<i>No Response</i>
Representation on the Project Board (or other management structure):	☐ Yes ☐ No
Have you included a Letter of Support from this partner?	☐ Yes ☐ No

6. Partner Name:	<i>No Response</i>
Website address:	<i>No Response</i>
What value does this Partner bring to the project? (including roles, responsibilities and capabilities and capacity):	<i>No Response</i>
International/In-country Partner:	☐ International ☐ In-country
Allocated budget:	<i>No Response</i>
Representation on the Project Board (or other management structure):	☐ Yes ☐ No
Have you included a Letter of Support from this partner?	☐ Yes ☐ No

If you require more space to enter details regarding Partners involved in the project, please use the text field below.

No Response

Please provide a combined PDF of all letters of support.

 [Natura-Bolivia-KBA-Letters-of-commitments](#)

 02/12/2024

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Section 16 - Lead Partner Capability and Capacity

Q35. Lead Organisation Capability and Capacity

Has your organisation been awarded Biodiversity Challenge Funds (Darwin Initiative, Darwin Plus or Illegal Wildlife Trade Challenge Fund) funding before (for the purposes of this question, being a partner does not count)?

☒ Yes

If yes, please provide details of the most recent awards (up to 6 examples).

Reference No	Project Leader	Title
DARCC036	Maria Teresa Vargas	Building Capacity for Reciprocal Watershed Agreements in the Tropical Andes
DARNV006	Nigel Asquith	Replenishing Bolivia's Water Footprint: Scaling Watershed Conservation through Public-Private Partnerships
IWT109	Nigel Asquith	Preventing the extinction of Bolivia's Critically Endangered Red-fronted Macaw
21-008	Nigel Asquith	Reciprocal Watershed Agreements: conserving Bolivia's Chaco through improved livelihoods
No Response	No Response	No Response
No Response	No Response	No Response

Have you provided the requested signed audited/independently examined accounts?

☒ Yes

Section 17 - Certification

Certification

If this section is incomplete the entire application will be rejected.
Please note if you do not upload the relevant materials below your application may be made ineligible.

On behalf of the

Trustees

of

Fundacion Natura Bolivia

I apply for a grant of

£796,422.00

I certify that, to the best of our knowledge and belief, the statements made by us in this application are true and the information provided is correct. I am aware that this application form will form the basis of the project schedule should this application be successful.
(This form should be signed by an individual authorised by the applicant institution to submit applications and sign contracts on their behalf.)

- I have enclosed CVs for key project personnel, cover letter, letters of support, a budget, logframe, Safeguarding and associated policies, and project workplan.
- Our last two sets of signed audited/independently verified accounts and annual report (covering three years) are also enclosed.

Checked

Name	Maria Teresa Vargas
Position in the organisation	Executive Director
Signature (please upload e-signature)	 Natura-Bolivia-KBA-certification  02/12/2024  17:40:08  pdf 47.94 KB
Date	02 December 2024

Please attach the requested signed audited/independently examined accounts.

 Audit 2023  02/12/2024  18:44:02  pdf 246.63 KB	 Audit 2022  02/12/2024  18:43:58  pdf 309.72 KB
 Audit 2021  02/12/2024  18:43:53  pdf 621.65 KB	

Please upload the Lead Partner's Safeguarding Policy, Whistleblowing Policy and Code of Conduct as a PDF. Optionally you can also upload your Health, Safety and/or Security policy or Security Plan here.

 Natura-Bolivia-Safeguarding-and-Whistleblowing-Policies-and-Code-of-Conduct  02/12/2024  17:31:23  pdf 218.27 KB

Section 18 - Submission Checklist

Checklist for submission

	Check
I have read the Guidance, including the “Darwin Initiative Guidance”, “Monitoring Evaluation and Learning Guidance”, “Standard Indicator Guidance”, “Risk Guidance”, and “Finance Guidance”.	Checked
I have read, and can meet, the current Terms and Conditions for this fund.	Checked

I have provided actual start and end dates for the project.	Checked
I have provided the budget based on UK government financial years i.e. 1 April – 31 March and in GBP.	Checked
I have checked that our budget is complete, correctly adds up and I have included the correct final total at the start of the application.	Checked
The application been signed by a suitably authorised individual (clear electronic or scanned signatures are acceptable).	Checked
I have attached the below documents to my application: • a cover letter from the Lead Organisation	Checked
• a completed logframe as a PDF using the template provided and using “Monitoring Evaluation and Learning Guidance” and “Standard Indicator Guidance”.	Checked
• a budget (which meets the requirements above) using the template provided.	Checked
• a signed copy of the last 2 annual report and accounts (covering three years) for the Lead Organisation, or provided an explanation if not.	Checked
• a completed workplan as a PDF using the template provided.	Checked
• a copy of the Lead Organisation's Safeguarding Policy, Whistleblowing Policy and Code of Conduct (Question 30).	Checked
• a copy of the Lead Organisation's Health, Safety and/or Security policy or Security Plan (Question 30)	Checked
• 1 page CV or job description for all the Project Staff identified at Question 33, including the Project Leader, or provided an explanation of why not, combined into a single PDF.	Checked
• a letter of support from the Lead Organisation and partner(s) identified at Question 34, or an explanation of why not, as a single PDF.	Checked
I have been in contact with the FCDO in the project country/ies and have included any evidence of this. If not, I have provided an explanation of why not.	Checked
The additional supporting evidence is in line with the requested evidence, amounts to a maximum of 5 sides of A4, and is combined as a single PDF.	Checked
(If copying and pasting into Flexi-Grant) I have checked that all my responses have been successfully copied into the online application form.	Checked
I have checked the Darwin Initiative website immediately prior to submission to ensure there are no late updates.	Checked
I have read and understood the Privacy Notice on the Darwin Initiative website.	Checked

We would like to keep in touch!

Please check this box if you would be happy for the lead applicant (Flexi-Grant Account Holder) and project leader (if different) to be added to our mailing list. Through our mailing list we share updates on upcoming and current application rounds under the Biodiversity Challenge Funds. We also provide occasional updates on other UK Government activities related to biodiversity conservation and share our regular newsletter. You are free to unsubscribe at any time.

Unchecked

Data protection and use of personal data

Information supplied in the application form, including personal data, will be used by Defra as set out in the **Privacy Notice**, available from the [Forms and Guidance Portal](#).

This **Privacy Notice must be provided to all individuals** whose personal data is supplied in the application form. Some information may be used when publicising the Darwin Initiative including project details (usually title, lead organisation, project leader, location, and total grant value).

Project Title: Sustainable KBA Conservation through the Strengthening of City-Based Water Funds

Project Summary	SMART Indicators	Means of Verification	Important Assumptions
Impact: The conservation status of three Key Biodiversity Areas (KBAs) above Bolivian cities is improved and secured through activities funded by the development and capitalization of new sustainable financing mechanisms.			
Outcome: The biodiversity and hydrological status of 200,000 hectares of biodiverse water-producing forests and grasslands are enhanced through improved management, and protection, and the implementation of conservation agreements with local communities	0.1 Sustainable financial mechanisms for conservation are developed and implemented above three of Bolivia's largest cities (population > 250,000), by March 2030 (baseline 0 mechanisms) 0.2 City governments, water users and the private sector invest £200,000 per year in KBA conservation and protection by March 2030 (baseline £20,000) 0.3 750 conservation agreements are signed with upstream local communities close to/in KBAs by March 2030 (baseline 0 agreements) 0.4 200,000 hectares of forests and grasslands within KBAs and in or close to protected areas are being managed under participatively developed conservation action plans by March 2030 (baseline 0 hectares)	0.1 Registry (law, norm, etc.) of the water fund creation 0.2 Bank accounts, surveys and interviews pre and post project 0.3 Signed conservation agreements. 0.4 Management plan implementation-, monitoring- and patrolling- reports	KBAs are critical for providing important ecosystem services to the cities. Deforestation and degradation of water recharge areas caused by agriculture risks the proper functioning and health of these ecosystems. Increasing knowledge about KBAs will enhance awareness, help regulate and improve their use and will enhance decision making processes.
Output 1: Sustainable conservation financing mechanisms (Water Funds) are created and strengthened for three Bolivian cities.	1.1 Three water funds are created and consolidated (legal institutional framework, municipal laws, private-public agreements, trust funds and others) by March 2027 (baseline 0 funds) 1.2 Three governance mechanisms are established and operating for the management and operation of each fund (board, interinstitutional platform) by March 2028 (baseline 0 mechanisms) 1.3 Three financial mechanisms are established with an administrative and technical operative model by March 2029 (baseline 0 financial mechanisms)	1.1 Legal documentation 1.2 Document of the governance model with regulations, conformation act, representation and other documents elaborated and approved 1.3 Meeting reports, capacity buildings and conversations held with local governments, annual financing reports.	Local governments and stakeholders support the establishment and operation of Water Funds.

Project Title: Sustainable KBA Conservation through the Strengthening of City-Based Water Funds

Output 2: A consolidated biodiversity and water resources monitoring system is connected to each water fund, that includes communities in a participatory approach to patrolling, recognizing and valuing ecosystem services.	2.1 100 local forest guardians from upstream KBA communities are trained in the use of SMART tools, camera trap networks, hydrological monitoring tools, and others, by June 2026 (baseline 0 guardians) 2.2 Three community-based reporting systems are implemented and connected to the national parks, municipal governments and water cooperatives, to document biodiversity and water health indicators in each KBA by June 2027 (baseline 0 systems) 2.3 20% increase in sightings of key biodiversity indicator species (e.g. the spectacled bear) in KBAs by Oct 2029 (baseline to be determined pre-project) 2.4 Faecal coliform load reduced to zero in 50% of water intakes inside the KBAs by Oct 2029 2.5 Additional aquifer replenishment of 1.5 ML/ year (baseline 0 ML)	2.1 Forest guardian training reports. 2.2 Reporting system. 2.3 Database of biodiversity records 2.4 Pre and post project reports of water quantity and changes. 2.5 Replenishment report, based on infiltration rates, hectares effectively conserved, desk analyses	The KBAs are located close both to protected areas and to communities and peri-urban and even urban areas. Their geographic location is thus critical, and increases both the threats and need for protection, but also the potential for financing solutions from downstream.
Output 3. 4,000 local community members receive direct and continuous economic benefits in exchange for conservation activities, such as monitoring and patrolling	3.1 4,000 local community members in and around KBAs have received livelihood projects (e.g. honey production, improved water access) worth £200,000 by March 2029 (baseline 0 people, 0 £) 3.2 15 biodiversity and water recharge priority areas covering 4,000 ha are restored (passive regeneration and native species enrichment) and 100,000 ha are being patrolled and protected by local communities and farmers by March 2028 (baseline 0 hectares) 3.3 Incomes of project beneficiaries increase by 10% with at least 50% of the beneficiaries being women by March 2029 (baseline to be determined)	3.1 Implementation reports 3.2 Signed conservation agreements, patrolling reports, satellite imagery of regenerating areas 3.3 Lists and financial reports on benefit distribution, pre- and post-project surveys	Local communities around the KBAs are willing to prioritize conservation but are constrained by their need to undertake economic activities. Stronger economic incentives will promote and allow conservation and improve natural resource management.

Project Title: Sustainable KBA Conservation through the Strengthening of City-Based Water Funds

Activities

- 1.1 Analyse existing legal frameworks: Review current laws and regulations related to Regional/City Water Fund creation.
- 1.2 Consult with legal experts and stakeholders: Hold workshops and meetings with municipal authorities, legal advisors, and community representatives to gather input and ensure alignment with local and national regulations.
- 1.3 Draft the legal framework: Develop draft documents including statutes, bylaws, and operational guidelines.
- 1.4 Run social marketing/awareness building programs (based on Rare's "pride" campaign model) to build support from authorities and communities
- 1.5 Validate and approve the legal framework: Present the draft documents to relevant authorities for feedback and approval.
- 1.6 Design governance structures: Define roles, responsibilities, and composition of governing bodies such as boards and committees.
- 1.7 Set up interinstitutional platforms: Facilitate formation of partnerships between municipal governments, private sector stakeholders, community groups.
- 1.8 Formalize governance mechanisms: Officially establish the governance bodies through formal agreements and documentation.
- 1.9 Establish the technical secretariat: Recruit and train staff for the secretariat, which will manage the day-to-day operations of the Water Funds.
- 1.10 Conduct training and capacity building: Provide training sessions for members of the governance structures on their roles and responsibilities.
- 1.11 Develop financial models: Create detailed financial plans including budget allocations, funding sources, and revenue generation strategies.
- 1.12 Set up financial/administrative processes: Develop/implement standard operating procedures for financial management, reporting, and accountability.
- 1.13 Identify potential funding sources: Research and identify international, national, and local funding opportunities.
- 1.14 Develop funding proposals: Write and submit proposals to secure grants and donations for Water Funds
- 1.15 Undertake fundraising campaigns: Organize events and initiatives to attract funding from donors, businesses, governmental bodies.
- 1.16 Foster partnerships: Engage with private sector partners to secure co-funding and corporate social responsibility contributions.
- 1.17 Monitor and report on funding growth: Track and report on the increase in funding to ensure transparency and accountability.
- 2.1 Design and establish monitoring frameworks: Develop indicators and metrics to assess the performance and impact of the Regional/City Water Funds.
- 2.2 Design and undertake monitoring training programs for upstream community members (AKA forest guardians")
- 2.3 Support and equip forest guardians as they undertake regular monitoring patrols: carry out periodic evaluations to measure progress and identify areas for improvement.
- 2.4 Undertake field and desk/laboratory analyses of water quantity and quality
- 2.5 Report findings: Compile and publish annual reports detailing the outcomes and impacts of the Water Funds.
- 2.6 Adjust strategies: Use the evaluation findings to refine and improve the management and operation of the Water Funds.
- 3.1 Undertake analyses and awareness-building exercises for staff to ensure that all activities (especially those linked to poverty alleviation and protected area creation) are gender- youth- and other minority- positive.
- 3.2 Sign agreements with at least 50 communities exchanging the delivery of development projects (e.g., honey production, irrigation systems) for conservation commitments (ensuring 50% women participation.
- 3.3 Train community members in the use of their development projects to ensure improvements in livelihoods
- 3.4 Conduct a baseline study to identify priority areas within and around the KBAs for revegetation or restoration considering land cover, soil type, land tenure and owner willingness.
- 3.5 Develop and support the implementation of management plans for six protected areas in and around the KBAs
- 3.6 Define the process in the municipal governments for the nurseries to grow seeds and seedlings, transport and transplantation
- 3.7 Help communities implement revegetation and restoration activities on identified priority areas, aiming to complete 4,000 hectares.
- 3.8 Monitor annually the change in biomass and document the amount of CO₂e sequestered annually with the official formulas for carbon sequestration.

Q32. British embassy or high commission engagement

Yes (please attach evidence of request or advice if received)
We are in constant communication with Anna Sophia Doyle (Anna.Doyle@fcdo.gov.uk) (Head of Environment and Climate Policy at the UK Embassy in Bolivia) about all our projects, including this one. Our most recent communications with Anna were by WhatsApp on October 5 th and by telephone (+591 76766042) the last week in November.