

Iwokrama: Lessons in Sustainable Businesses

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Estacao Embratel Convention Centre



Iwokrama International Centre for Rain Forest Conservation and Development, Guyana
www.iwokrama.org

Iwokrama

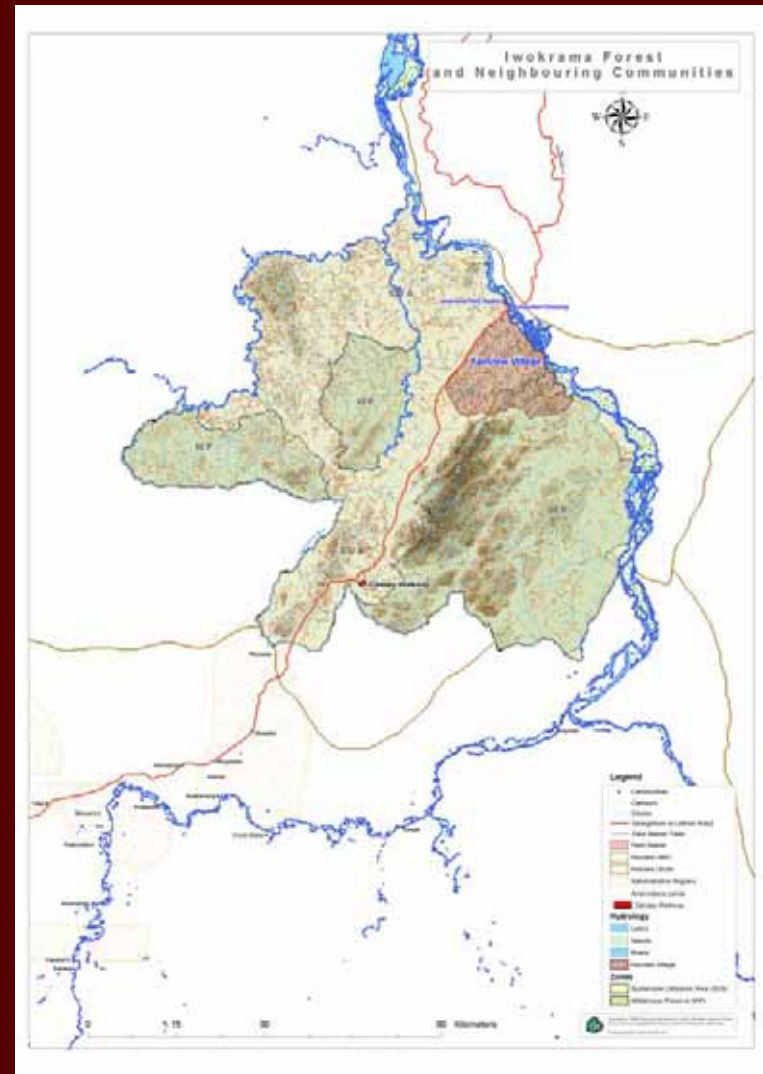
10 Years Integrating Conservation and Sustainable Use

- Manages and Controls 371,000 Ha (2%) of State Forest
- Set aside to demonstrate techniques of conservation and sustainable use
- Governed by an International Board of Trustees



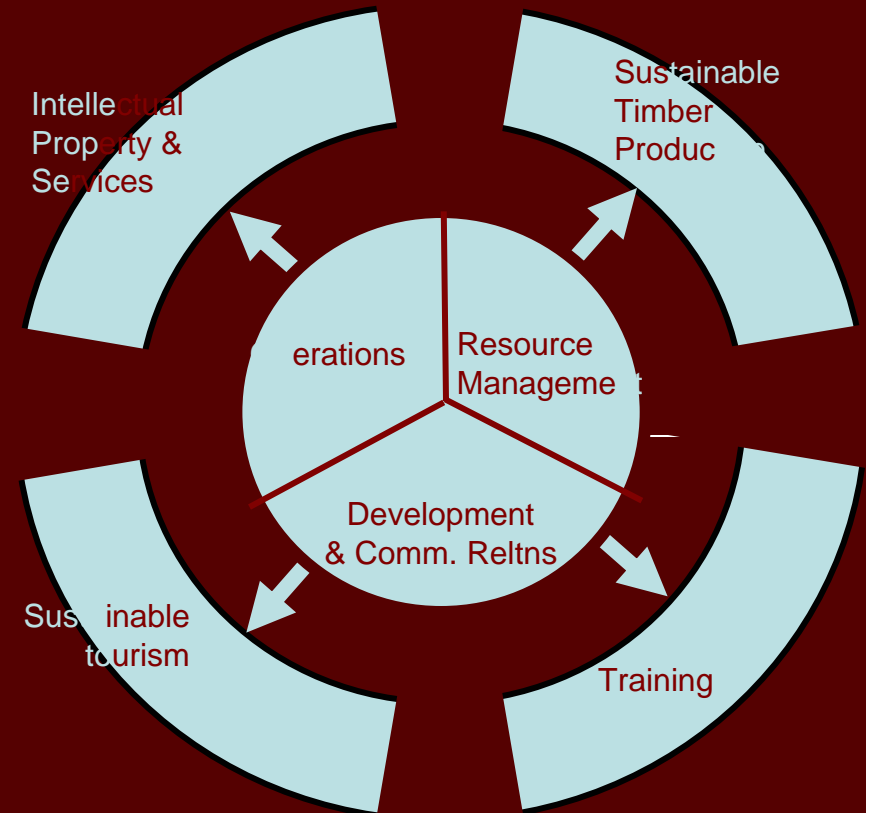
Iwokrama Asset Base

- Intact Tropical Forest
- Forest Zoned into Wilderness Preserve and Sustainable Use Area
- Highest Biodiversity Density in Region
- Conjunction of two major watersheds of SA
- Strong co-management relationship with local communities
- Unique Location in South America



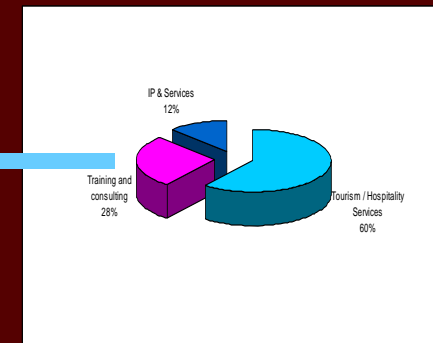
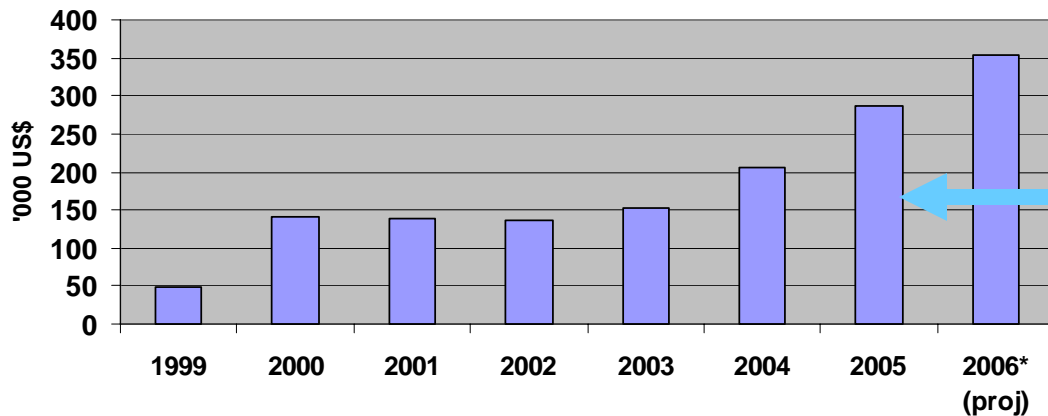
Organisation of Centre

- Sustainable Businesses
 - Ring-fenced
 - Integrated Use of Multiple Forest Values
- Core Operations
 - Service, support & inform sustainable businesses

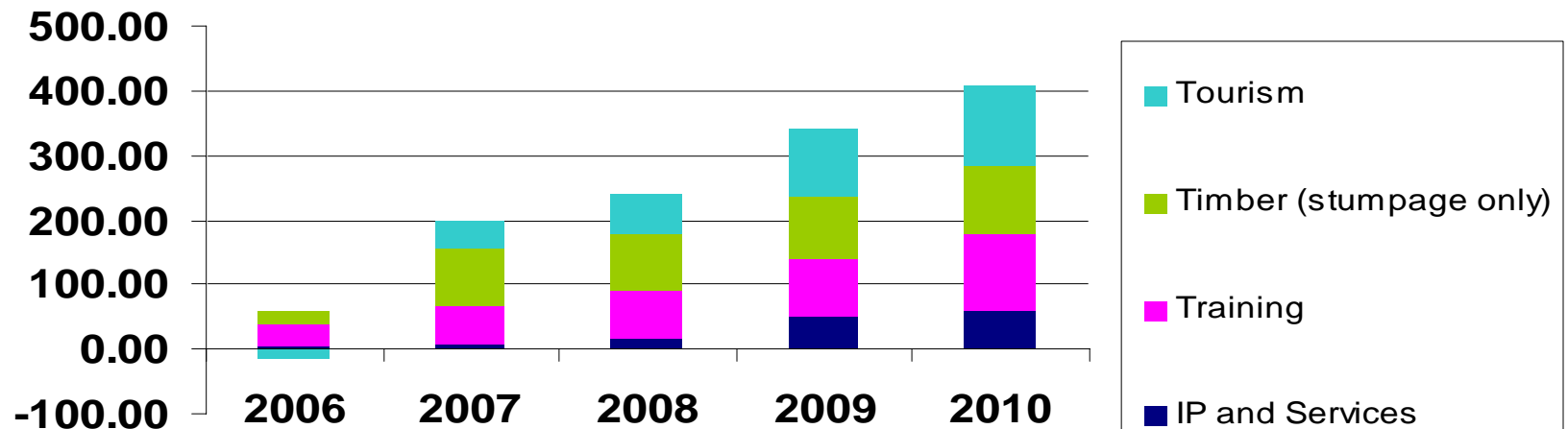


Contribution of Businesses to Iwokrama

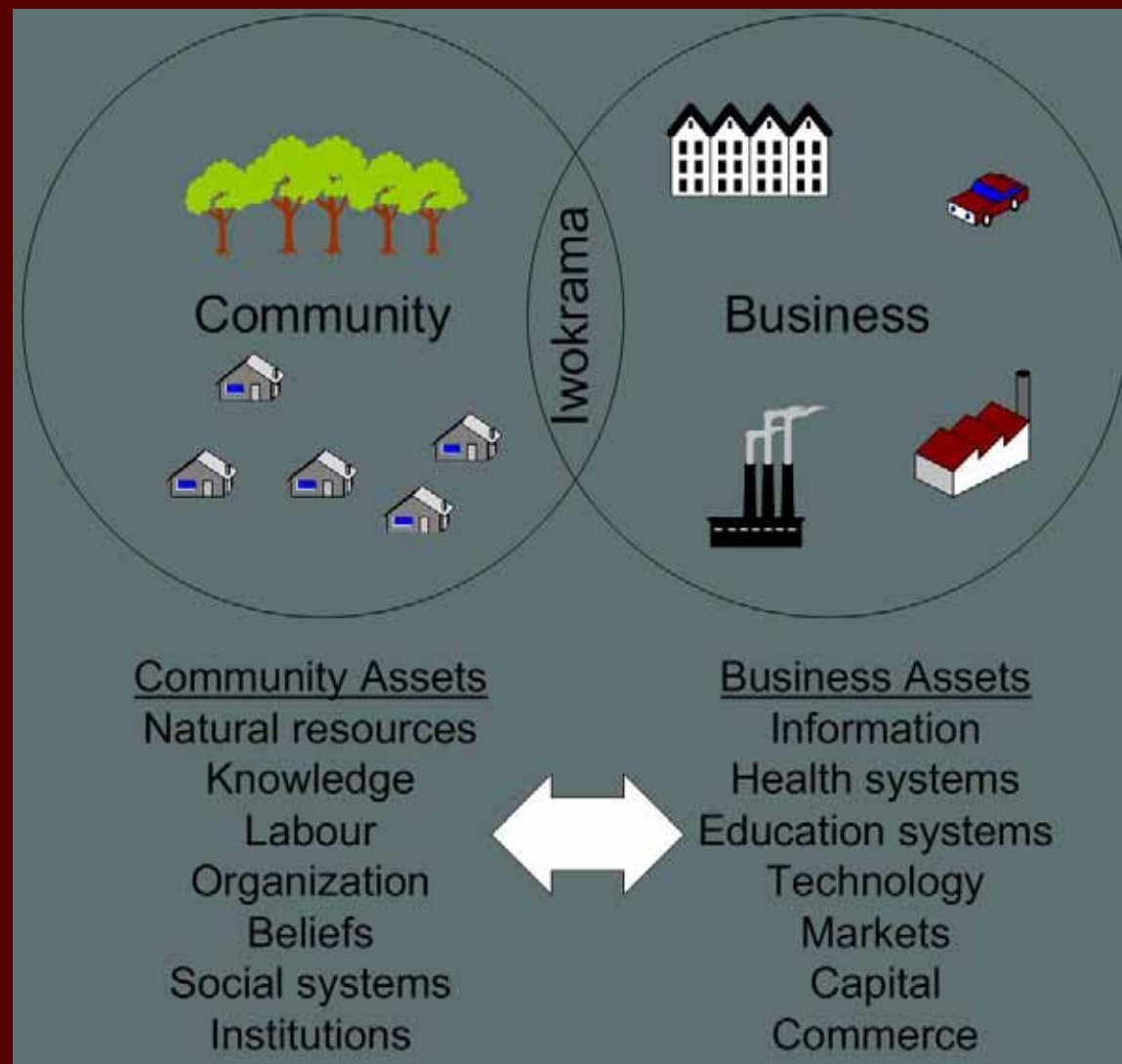
Earned Income



**Budgeted, Net Contribution of Businesses
2006 to 2010 ('000 US\$)**



Iwokrama Approach to Business Development



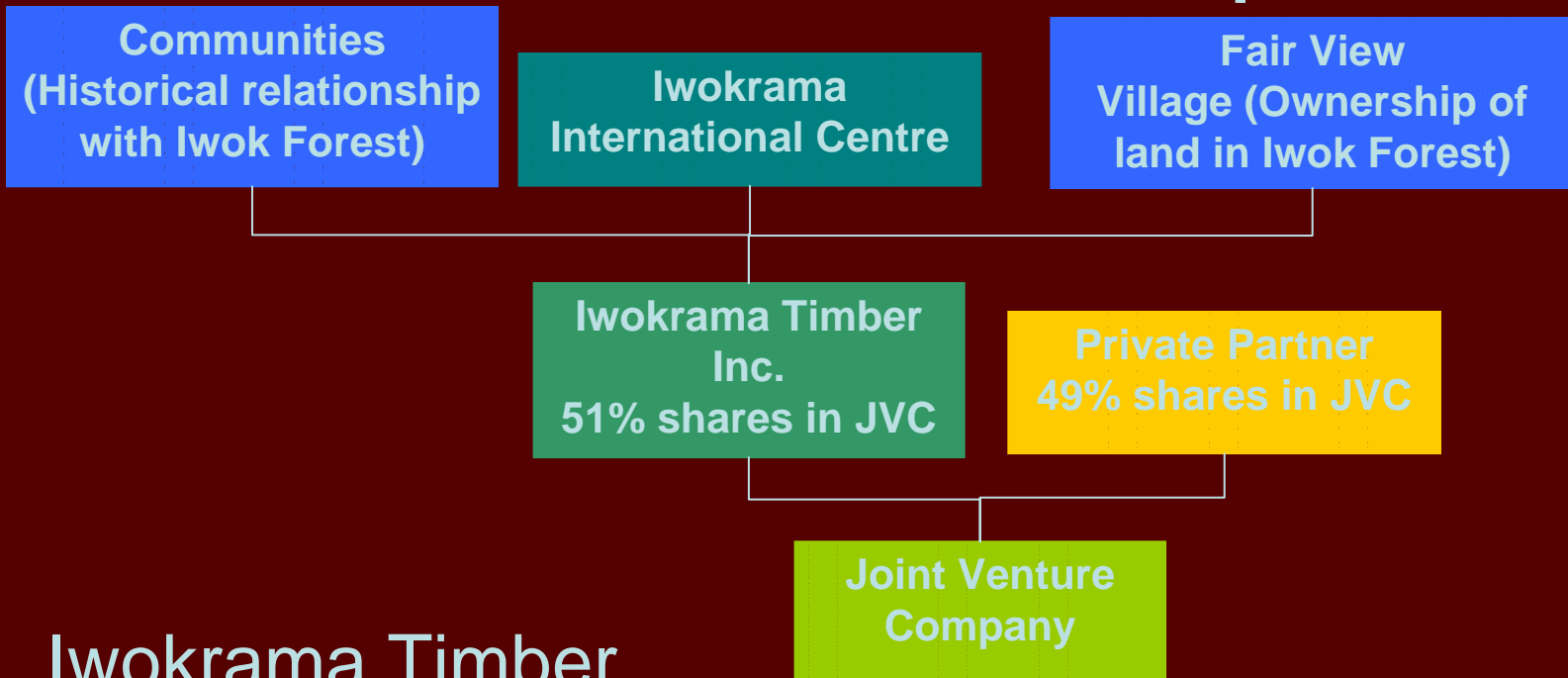
Partners in Iwokrama Business



Sydney Allicock, Surama



Business Relationships



Iwokrama Timber

- Iwokrama Tourism

- Iwokrama Canopy Walkway: Management Contract with Consortium of Private Sector and Local Community
- Owner/Manager of Field Station



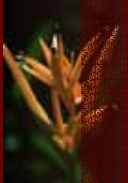
Factors Affecting Investment in Iwokrama

General

- Incentives local vs foreign
- Political climate
- Physical infrastructure
- Human resources

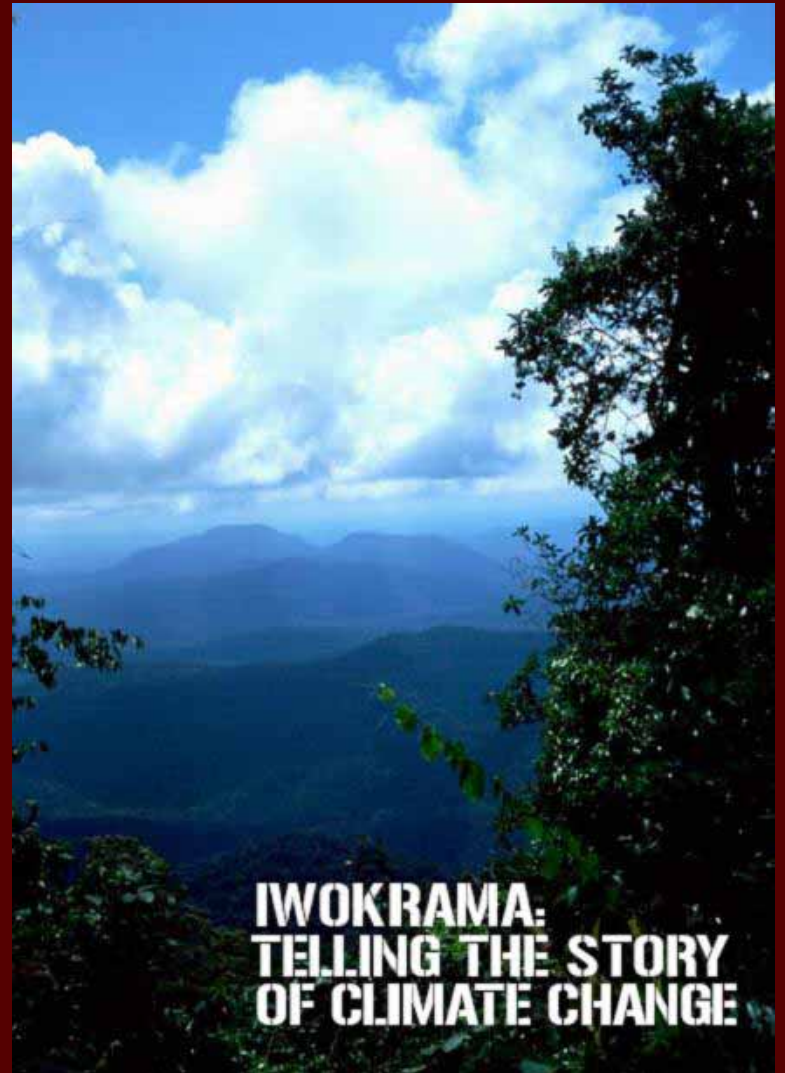
Specific

- Company History
- Stringent Operating Guidelines
- Emphasis on Financial Transparency
- Logistics



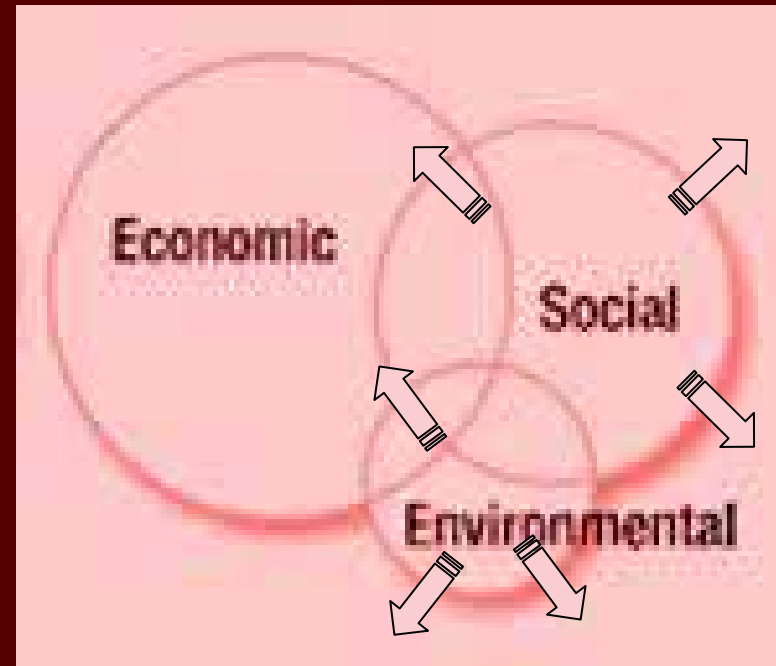
What Attracts and Keeps an Investor ?

- Reasonable rate of return on investment
- Image Enhancement
 - branding
- Profile of Resource Owner/Manager
 - Robust Administrative and Financial Systems; strong business plan
- Benefits to Local Communities
- Innovative Approaches
- Likeability



Potential Investor Profile

- Demonstrates international best practice through three pillars of sustainability (IUCN)
- Demonstrates Corporate Social Responsibility
- Interested in high value, innovative products
- Long term Investment interest



Present relationship of three pillars of sustainability
www.iucn.org/programme



Constraints & Opportunities for Investment

Constraints

Opportunities

Protection of HCVFs (timber)

Recognise & monetise conservation value of investment

Country Investment Ratings

Partner with “safe” companies

High processing costs for timber – high density wood; limited infrastructure; energy costs

Invest in diversified forest values- Carbon; NTFPs; water; IP products

Undeveloped market

Develop niche markets

Commoditisation of Forest Resources – Competition between resource users leading to higher risk and transaction costs

Invest in projects that emphasise multiple forest values

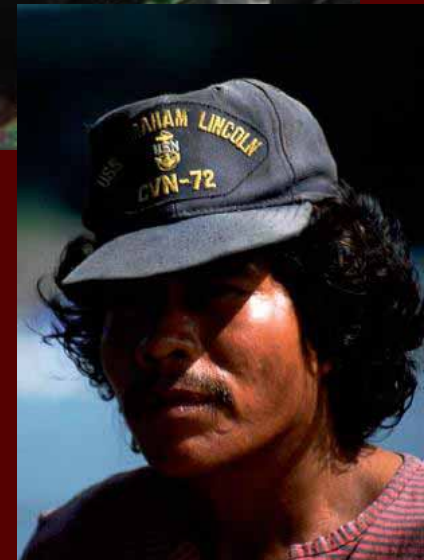
Competing local and national interests in Forest values

Emphasise participatory & integrated approach to project development & implementation as part of CSR



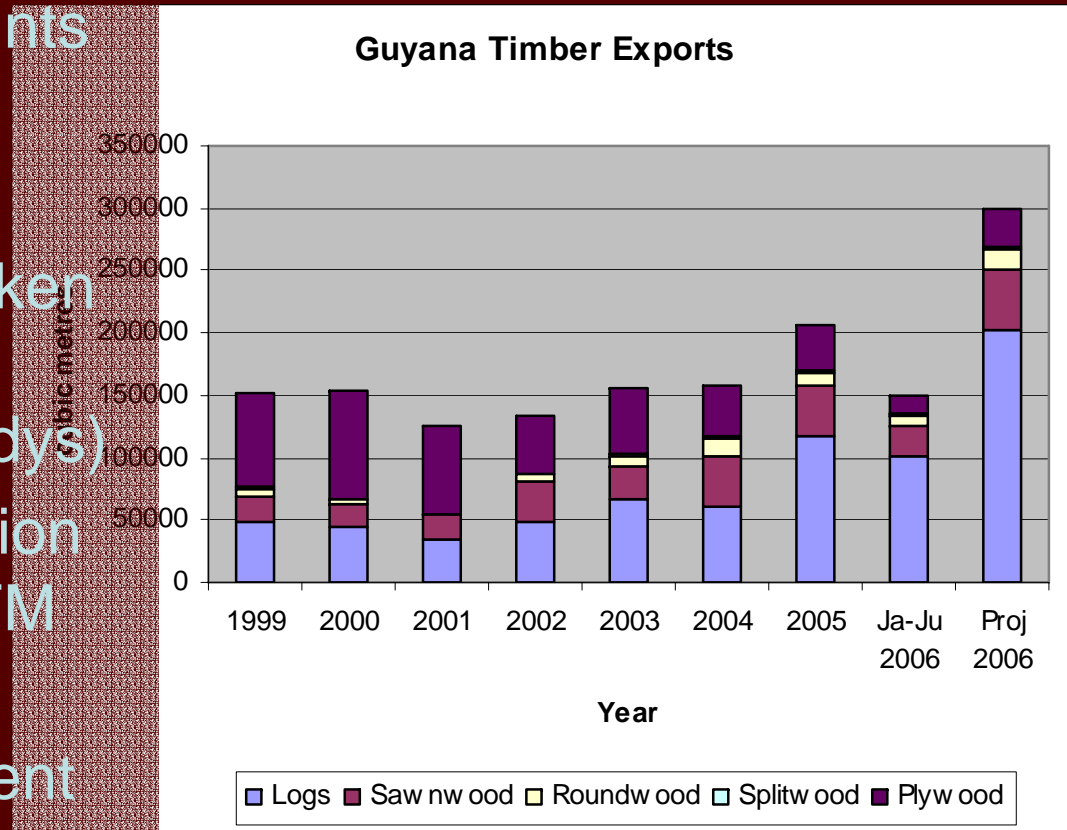
Making an Opportunity more Bankable

- Integration of forest values, reduce conflicts, enhance value
- Fair Trade practices improve image, benefit local communities
- Hard-nosed business planning, reduce uncertainty
- Negotiation from a position of strength
- Demonstrate Innovation



Role of Governments

- Reduction of constraints
- Simple, transparent procedures
- Reduction of Time taken to enforce a contract (global average 388 dys)
- Separation of regulation from promotion of SFM
- Integrated natural resources management



Partners in Sustainable Business



Sydney Allicock, Surama

