

WRITTEN TESTIMONY

Gillian Caldwell

USAID Chief Climate Officer and

Deputy Assistant Administrator for Environment, Energy, and Infrastructure

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“Advancing Security and Prosperity Through International Conservation”

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INTRODUCTION:

Chairman Coons, Ranking Member Graham, distinguished members of the Subcommittee: Thank you for the opportunity to testify about U.S. efforts to conserve biodiversity and forests, which USAID Administrator Samantha Power has called “one of the most important steps we can take to mitigate climate change and biodiversity loss while reducing the risk of disease spillover and potential future pandemics.” We are deeply appreciative of your leadership in this area and your continued partnership with us to address the biodiversity crisis.

This hearing and consideration of the International Conservation Act (ICA) come at an important time. Nature is facing grave and accelerating threats. As you are well aware, alarming declines in wildlife populations and the deteriorating health of our oceans, forests, and grasslands are a global crisis.

As you explore how this proposed foundation could help address this crisis, I’d like to share some of what we have learned works best for conservation. USAID’s partners in the developing world are key stakeholders in this challenge and in potential solutions to this crisis. We focus on both long-term investment in protected and community-conserved areas, as well as supporting responses to urgent, changing threats. But the speed and scale of the biodiversity crisis is threatening to undermine development gains that Congress and USAID have worked to secure over decades.

USAID looks forward to continuing to engage with the Committee on the ICA, and we welcome the potential to bring in much needed and additional large-scale investment from the private sector, foundations, and other philanthropies to address the current crisis.

In my testimony, I want to underscore the importance of long-term investment and also touch on some areas where we would hope to advise on best practices to ensure that our actions, and those stimulated by this potential bill, would be additive to the global fight against biodiversity loss.

Thanks to the generous support of Congress, USAID invests in approximately 60 countries to conserve biodiversity, support sustainable fisheries, and fight illegal logging, wildlife trafficking and other nature crimes. Over the past several decades, we have honed our approach to this crucial work, from supporting the development and management of protected areas, to partnering with Indigenous communities on community-led conservation efforts, to establishing large public-private partnerships to ensure sustainably sourced products and livelihoods for local communities. Along the way, we have sought balance between nimble action and a strategic, consultative process with appropriate safeguards. Our strategic approach to policies and programmatic investments has been informed—and refined—by experience and cutting-edge evidence and analysis.

Today, the vast majority of USAID’s biodiversity funding goes to direct bilateral programs on the ground with key country partners like Mozambique, Colombia, and the Philippines—or to regional initiatives in key biodiversity hotspots like the Congo Basin—because that is where we see the greatest impact and greatest return on investment of the funds invested by Congress.

Given our 60 years on the ground in the countries where we work, USAID has a proven track record and longstanding relationships in these countries, from key ministries to Indigenous community organizations to community conservancies. We have well-established strategies and rigorous monitoring and evaluation systems to ensure results and accountability.

We know that protected areas require three things to flourish: (1) long-term investment, (2) supported economic, livelihood and social opportunities for local communities, and (3) private-sector engagement. With these three pillars in place, protected areas provide conservation benefits, regional stability, food security, and economic growth.

Let me give you a few examples of where we are seeing the greatest impacts, the best opportunities for lessons learned in long-term programming as well as opportunities for growth.

Lesson #1: Ensure long-term investment in priority places and habitats

The importance of long-term investment to specific protected areas, and for the communities that live in and around them that need to thrive for conservation to succeed, cannot be understated. USAID typically funds in five-year program increments. That ensures that we have the ability to measure, evaluate and learn before we invest further resources in a program. In key areas, we make a sustained commitment to particular places and challenges, and have often funded the same partner for a decade or more even while maintaining competitive procurement processes. We have also fostered the transition from international NGO project management to local NGO leadership, often supporting the same place for the long term, while shifting, when possible, from international to local partners for implementation.

Nowhere is this long-term support more important than the Congo Basin in Africa, which contains the world's second largest contiguous rainforest and carbon reserve, and is home to a rich array of wildlife including four species of great apes and forest elephants as well as nearly 80 million people representing 150 distinct cultural groups. This critically important rainforest is under threat from unsustainable logging and competing land use for agricultural commodities.

For over twenty years, USAID has invested in Congo Basin conservation at scale across 11 landscapes covering over 80 million hectares. In the 1990s, we developed a twenty-year vision for investment in these landscapes that started with a focus on management planning and ecological monitoring, the quintessential example of long-term investment. Today we work with communities, businesses and governments to conserve landscapes anchored by well-managed protected areas, with much deeper and more extensive work to help rural people participate in and benefit from natural resource management. This includes policies and industry partnerships that help promote sustainable cocoa and coffee industries to lift people out of poverty and reduce pressure on forests and species.

In FY 2022, USAID support to protected areas and community forests in the Congo Basin improved natural resource management of nearly 9 million hectares—an area roughly the size of Indiana—and tripled the number of people benefiting from this work, from 30,205 in 2021 to 96,331 in 2022. Support for training, equipment, and infrastructure facilitated 355,000 kilometers of patrols, which led to 207 arrests for wildlife crime. This law enforcement success depends on complementary investments in conservation-friendly enterprises to reduce local motivation to commit crime, as well as judicial sector capacity to ensure arrests turn into prosecutions and appropriate sentences.

Our long-term initiative in the Congo has generated important lessons in protected area management, such as the best balance between core protected area management, community support and engagement; private sector partnerships and landscape planning. Each of these,

intentionally monitored and assessed, are key components to conserving the Congolese landscape. FY 2021 funds supported work to strengthen at least 200 government-managed protected areas and 250 community-managed protected areas. The resulting protected areas, combined with land-use planning, trade, and other policy measures are working to provide the security, connectivity, and resilience needed to conserve strong functioning ecosystems into the future.

A critical—and related—part of our programming is addressing the illegal harvest and collection of biodiversity. For example, we invested almost \$56 million in FY 2021 funds to support the reduction of poaching and illegal trade in animals—including illegal extraction of terrestrial, freshwater, and marine species. USAID’s comprehensive strategy is responsive to the constantly changing threats of poaching and wildlife trafficking, and it strengthens law enforcement from parks to ports, reduces consumer demand for illegal wildlife products, and builds international cooperation.

Lesson # 2: Make conservation work for Indigenous Peoples and local communities

Second, we know from experience that conservation work must be done in close collaboration with Indigenous Peoples and local communities that have coexisted with nature for millennia in these beautiful and diverse habitats. For more than 30 years, USAID has led on community-based conservation, growing areas under conservation and linking government protected areas with community conserved areas. Good conservation *is* good development. Many communities depend on biodiversity for their food, water, housing, livelihoods and cultural way of life.

For example, in the late 1990s we started work in northern Kenya in partnership with the Kenyan government and African Wildlife Foundation and I am pleased to join Kaddu Sebuya at this hearing today. That work focused on community-led conservation and building local leadership in conservation action. Today we continue that work with one such local organization, the Northern Rangelands Trust. This innovative partnership benefits 630,000 people in 39 community-owned and managed conservancies covering nearly 63,000 square kilometers (approximately seven times the size of Yellowstone National Park). This partnership is creating space for the 65 percent of Kenya’s wildlife populations that utilize community lands outside of protected areas. The partnership also develops new economic opportunities, adding value to the livestock market chain with an average \$1–1.5 million annual revenue generated, empowering more than 1,000 women through beadwork enterprises, diversifying tourism opportunities that produce an average \$900,000 income annually, and generating market-based conservation financing options for conservancies. I visited this project last Fall and was able to witness the benefits first hand. I broke ground on a new maternity clinic in an area that

was suffering from unnecessary deaths during childbirth due to the distance women had to travel for care, and I saw solar powered wells in operation. Now this community is benefiting from conservation finance, with conservation funding paying for the maternity clinic. That is the power of community-led efforts.

This partnership with the Northern Rangelands Trust has helped to employ 858 eco-rangers, reducing poaching and increasing the elephant, giraffe, wild dog, and buffalo populations across the 39 conservancies. The partnership has also trained hundreds of community rangers responsible for the protection of 45,000 square kilometers. The organization empowers communities to manage sustainable businesses linked to conservation. Challenges continue to exist, for example - the current severe drought is impacting communities, and the survival of livestock and wildlife. Finding solutions to new and existing issues is a work in progress and emphasizes the need for our continued prolonged engagement, social and natural science monitoring, and continued adjustment and collaboration with communities to achieve long term results.

We also work in marine protected areas that are critical for food security. For example, over the past three decades, USAID and the Philippines have worked together to address illegal, unreported and unregulated (IUU) fishing to protect the country's aquatic resources to ensure long-term sustainable use of the area's resources and strengthen livelihoods for local fishers and communities. Since 2018, USAID programs have helped protect over 2.5 million hectares of oceans, an area about as big as Lake Erie. Efforts also include expanding habitat and fisheries of municipal marine waters. In 2022, USAID and the Philippines' Bureau of Fisheries and Aquatic Resource developed the country's first IUU Fishing Index and Threat Assessment Tool in municipal waters and in the fisheries management areas of the South China Sea, where violation of the Philippines exclusive economic zone by People's Republic of China fishing vessels has been occurring. The tool has been used by 28 percent of local government units nationwide in assessing IUU fishing. USAID's decades-long partnerships in the Philippines have also focused on strengthening the rights of Indigenous Peoples with ancestral domains, helping to ensure long-term sustainable use of the area's resources.

Lesson # 3: Broaden the funding base by engaging the private sector

We know that communities, governments, and civil society organizations can't do this alone. Private sector collaboration is critical to success in this area, so I want to highlight some of the success that USAID has had as part of our approach. As of FY 2021, USAID had nearly 100 active Public Private Partnerships in the environment sector, with every one government dollar matched by an average of 3.7 dollars from private sector actors.

American companies depend on well-managed natural resources in developing countries for stable and sustainable supply chains, but there are extensive threats to the resource base: unsustainable expansion for agriculture and livestock, climate change-influenced rainfall and temperature fluctuations, unsustainable over-harvesting of fish, illegal logging, wildlife poaching, and other nature crime, and illegal or unsustainable extraction of resources in and around protected areas.

USAID's HEARTH initiative (Health, Ecosystems, and Agriculture for Resilient, Thriving Societies) is generating cross-sectoral partnerships with private sector actors to conserve high-biodiversity areas and improve the health, well-being, and prosperity of the communities that depend on them. By working together through HEARTH, USAID and the private sector can more effectively achieve our shared goals for a healthier and more prosperous world. Other private sector partners include large global brands such as Mars, Olam, and Disney, as well as smaller companies working in and around important biodiversity landscapes.

Seventeen HEARTH activities have been awarded as of March 2023, using \$75 million in public dollars to leverage over \$90 million of private sector funds, with far-reaching benefits. In West Africa, the HEARTH RESTORE activity is increasing tree cover in cocoa landscapes in Ghana and Côte d'Ivoire while improving farmer livelihoods. These investments, supported by a combined \$14 million from USAID and its private sector partners, will reduce pressure on wildlife and protected areas while restoring forest corridors for improved connectivity. The activity will support 15,000 smallholder cocoa farmers by 2027 to use more resilient agricultural practices, of which at least 50 percent will be women and youth. Through the Gorilla Coffee Alliance, a HEARTH partnership with Nespresso and Olam Food Ingredients in the Democratic Republic of Congo, we will invest a combined \$12.3 million over five years to support sustainable agriculture, rural enterprise, improved health, and landscape-scale governance. These actions aim to reduce drivers of poaching and deforestation in nearby Kahuzi-Biega National Park, home to most of the world's 6,800 eastern lowland gorillas. In 2022, its first year, the Alliance produced over 1 million coffee seedlings, distributed 431,000 seedlings to 1,500 farmers, and trained nearly 5,000 farmers (nearly half women) in regenerative agriculture practices.

USAID has also funded conservation in Guatemala's Maya Biosphere Reserve, the largest protected area in Central America and a seat of ancient Mayan civilization, for more than three decades. This work, which is ongoing, strengthens the conservation of biodiversity, protected area management, environmental governance, civil society, and Indigenous communities' participation in the Mesoamerican tropical humid forest of Guatemala-Belize-Mexico, a trinational region recognized as the "Selva Maya." Conservation efforts in the Selva Maya continue to be threatened by illegal logging and unmanaged agricultural expansion.

Despite these pressures in this critical conservation area, over the last decade, USAID and our partners created more than 25,000 permanent and seasonal jobs, generated over \$55 million in sales of products and services, and invested up to 30 percent of profits into local schools, rural infrastructure, healthcare, and scholarships—all while reporting a net-zero deforestation rate. In total, communities we've worked with on sustainable forestry across Guatemala have made about \$200 million. The model of community forestry concessions has been so successful at reducing deforestation that the Government of Guatemala recently renewed them for another 25-year term while expanding the area under community management.

USAID's partnerships with the private sector are informed by our long-term presence and understanding of the local context. We tailor our approach to meet the scale of the opportunity, from supporting locally-owned enterprises around protected areas to greening global supply chains. We are always seeking partners whose core business interests align with opportunities to contribute to economic development while better conserving biodiversity in critical landscapes and seascapes.

CONCLUSION

In conclusion, the biodiversity crisis is happening now and it is accelerating – and the private sector, which relies on strong global economies and vibrant societies, needs to increase its investment. USAID has been and continues to invest in the long-term conservation efforts necessary for the sustainability of protected and community conserved areas and the communities that depend on them. We look forward to continuing to work with the Committee to maximize private sector investment in conservation. In fact, we believe there is potential for even more than a 1:1 match to truly harness the power of the private sector. The cost of inaction is simply too great.

We look forward to engaging with Congress on the Act and on our Biodiversity policy which will be released this fall. The policy builds on USAID's deep commitment to support strong, more resilient landscapes and seascapes for long-term conservation for the benefit of local communities and the global good. We look forward to our continued dialogue to discuss how our work can best address the global biodiversity crisis.

Thank you to the Subcommittee and Congress for your continued support of USAID's efforts to tackle these critical conservation challenges, and I look forward to answering your questions. We need your partnership to address this existential threat.

I look forward to your questions.