

CEPF SMALL GRANT FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: International Centre of Insect Physiology and Ecology

Project Title (as stated in the grant agreement): *Hotspot Butterflies: Making the Butterfly Exhibit Industry Work for Conservation*

Implementation Partners for This Project: Amani Butterfly Farm, Tanzania Forest Conservation Group

Project Dates (as stated in the grant agreement): November 1, 2007 - April 30, 2008

Date of Report (month/year): October 2008

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.

This project built on a recommendation of the Sustainable Financing Strategy developed under Strategic Direction 5: “Consolidating conservation-based community enterprises around the Arabuko Sokoke Forest (ASF) Reserve, disseminating lessons learned and facilitating exchanges with other communities in key areas.”

It concerned the most successful of the ASF community enterprises, namely butterfly farming (Kipepeo Project). Kipepeo has generated over \$850,000 in revenues since its start up in 1993 and has been generally financially self-sustaining since 1998. Monitoring of wild butterflies indicates no adverse impacts on natural populations and there have been significant positive impacts on community attitudes to the conservation of ASF (Gordon & Ayiamba 2003). The Kipepeo model has been successfully adapted in the Eastern Arc Mountains at Amani in the East Usambaras in Tanzania, where revenues have quickly risen to over \$70,000 a year. Butterfly farming at Amani Farm has resulted in significantly improved conservation behaviors on the part of butterfly farmers.

Both Kipepeo (through an *icipe* livelihoods project in the Taita Hills) and the Amani Butterfly Farm have received support from the CEPF, but both suffer from a low market ceiling. At Kipepeo only a third of the butterfly pupae can be marketed. This greatly reduces earnings and threatens the long-term sustainability of butterfly farming in the hotspot.

III. NARRATIVE QUESTIONS

1. What was the initial objective of this project?

This project aimed to consolidate butterfly farming in the Eastern Arc and Coastal Forests (EACF) by helping to develop a niche market in the US for butterflies from this and other hotspots. This was to be achieved through representation at the International Congress of Butterfly Exhibitors and Suppliers in Ecuador in October 2008 and appropriate follow-up.

It also aimed to facilitate further discussions on sustainable financing for the EACF hotspot with Jorgen Thomsen and John Watkin through a side trip to Washington and to enable a cross-site learning visit to CI projects in the Galapagos.

2. Did the objectives of your project change during implementation? If so, please explain why and how.

The trip to the Galapagos was dropped in favour of a visit to the Fairchild Tropical Gardens in Miami. This was in response to an expression of interest from its Director Mike Maunder in featuring hotspot butterflies from the Eastern Arc and Coastal Forests Hotspot in a new butterfly exhibit to be opened in 2009.

3. How was your project successful in achieving the expected objectives?

We made some headway:

- 1) We (Ian Gordon and Theron Morgan-Brown) gave a joint presentation to ICBES on the Kipepeo and Amani butterfly farming enterprises and the possibility of developing butterfly exhibits in the US and elsewhere that were dedicated to Hotspot butterflies. This presentation was part of a session devoted to the issue of how butterfly exhibits could contribute more to the conservation of butterflies and their habitats. The presentation was well received and three exhibitors who were present expressed interest in the idea of special hotspot butterfly exhibits. Several exhibitors were already buying from Kipepeo and Amani without paying any particular attention to hotspot issues. We had useful discussions with Mike Weismann (Kallima Consultants) re streamlining imports to the US from Kipepeo and Amani in the light of the increasingly difficult procedures that were in place by the USDA and the possibility that DHL might pull out from providing courier services to the industry. There was a highly positive response to the idea of creating new local exhibits (e.g. the NMK/USAID sponsored Exhibit in Mombasa) rather than encouraging more butterfly farmers to join an already overcrowded supply chain.
- 2) TMB subsequently developed a flyer advertising the concept that was circulated to all ICBES members through their Newsletter. This led to serious expressions of interest from: i) Bill Hasse, Coordinator of the Conservatory, North Carolina Museum of Natural Sciences, and ii) David Bohlken who runs two exhibits in the US and two in Canada. Two other exhibitors expressed cautious interest: i) Tina Dombrowski, Horticulture manager at the Como Park Zoo and Conservatory, and ii) Betty Heriford of Wings of Wonder, a small exhibit in Oregon.

- 3) Together with John Watkin, IG and TMB met at Fairchild Tropical Gardens with Bruce Geer (president, FTG Board), Dr Mike Maunder (Director, FTG), Nanette Zapata, (Chief Operating Officer, FTG), and Jeremy Davit (Development Associate FTG). They described the Kipepeo and Amani Butterfly Farms, stressing the synergies between poverty alleviation and conservation, and the idea of butterfly exhibits that would be dedicated to hotspot butterflies. Both the Board President and the Director of FTG were enthusiastic and offered to dedicate the new butterfly exhibit to Eastern Arc and Coastal Forest butterflies once it opens in 2009.
- 4) IG met with several scientists from CI (Mohammed Bakarr, Keith Alger, and Tom Brooks) and CEPF (Jorgen Thomsen, Frank Hawkins, and John Watkin) in Washington and discussed future possibilities for further collaboration with *icipe* and the Hotspot Co-ordination Unit. It was agreed that a proposal be developed for the CEPF Global Fund to support the further development of the hotspot butterfly exhibit idea, and that *icipe* and CI-CABS collaborate on a fresh water biodiversity/mosquito project for East/Central Africa.

4. Did your team experience any disappointments or failures during implementation? If so, please explain and comment on how the team addressed these disappointments and/or failures.

There has clearly been some movement in the butterfly exhibit industry (since the first ICBES meeting in 1998, attended by IG) to move beyond lip service to conservation issues, but there is still some distance to go. This was evident in a protracted discussion on ethical guidelines for the industry: this was pared down to the minimum possible set of principles, there being considerable resistance on the part of US exhibitors to anything resembling regulation that might constrain their operations.

We emphasized the social and conservation benefits of a hotspot approach to butterfly exhibits, particularly in the light of increased regulation of the industry by the USDA. Despite this effort it was clear that most exhibitors would continue with business as usual. We believe that a more committed approach to conservation values is eventually inevitable in the industry, but that this will need to be nurtured by good examples and best practices in the near future.

5. Describe any positive or negative lessons learned from this project that would be useful to share with other organizations interested in implementing a similar project.

The major positive lesson was the value of collaboration and the recognition of common goals between conservation enterprises that are potential competitors for the same market. By joining forces, Kipepeo and Amani were able to exert more influence in expanding their customer base than either would have been able to alone. Participation in this project (that was initiated through Kipepeo) enabled Amani to attend its first ICBES meeting and to make personal contacts with their exhibitors.

Kipepeo benefited from the demonstration to exhibitors that genuine conservation goals could be achieved (presentation by TMB on Amani) by adopting a community-based approach to butterfly farming.

The major negative lesson was that it is difficult to change or influence practices in a well-established industry, in the absence of strong incentives or new regulatory environments.

6. Describe any follow-up activities related to this project.

- 1) TMB is continuing to explore opportunities to expand markets for both deadstock and livestock butterflies as he continues with postgraduate studies at the University of Florida
- 2) Both Kipepeo and Amani Butterfly Farms are pursuing the opportunity to supply the new exhibit at Fairchild Tropical Gardens in 2009.
- 3) The contacts between CI-CABS and *icipe* helped to facilitate collaboration on a climate change project that has good chances of funding, while we continue to look for support for the freshwater biology proposal

7. Please provide any additional information to assist CEPF in understanding any other aspects of your completed project.

Other commitments on the part of IG have precluded progress on submitting the Hotspot Butterfly proposal to the Global Fund. We recommend that TMB be given this opportunity should the door still be open.

IV. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

No other donors supported this project. We anticipate future markets for Kipepeo and Amani, particularly at FTG, but these will not be realized until 2009.

Donor	Type of Funding*	Amount	Notes
		\$	
		\$	
		\$	
		\$	

****Additional funding should be reported using the following categories:***

- A** *Project co-financing (Other donors contribute to the direct costs of this CEPF project)*
- B** *Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*

- C** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*
- D** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

V. ADDITIONAL COMMENTS AND RECOMMENDATIONS

The value of community-based butterfly farming for conservation has been conclusively demonstrated by Kipepeo and Amani, but if it is to be adopted in other sites in other hotspots, it should go hand in hand with an effort to develop niche markets with an explicit conservation agenda.

VI. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, www.cepf.net, and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

Please include your full contact details below:

Name: Ian Gordon

Organization name: International Centre of Insect Physiology and Ecology

Mailing address: Box 30772-00100, Nairobi, Kenya

Tel: +254 (0)20 8561309

Fax: +254 (0)20 8632001/2

E-mail: igordon@icipe.org

Theron Morgan Brown can also be contacted at kimbijae@ufl.edu.