



CATALYST CONSULTING GROUP

# THE EFFICACY OF ESG MEASURES IN CANADIAN ANIMAL CONSERVATION INITIATIVES

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# OVERVIEW

## CONSERVATION EFFORTS IN CANADA

Canada has distinct and intact ecosystems spanning across the country, including tundras, boreal forests, wetlands, and lakes. Despite having the second-largest number of intact ecosystems in the world, Canada's wildlife and ecosystems are facing pressures from urban development, mineral extraction and infrastructure. Since 1970, population of at-risk Canadian species has fallen by an average of **59%**, and globally "at-risk" species have seen their Canadian populations fall by **42%**



## CRITICAL ECOSYSTEMS

**Ontario Northern Boreal:**  
This conservation area is the 3rd Largest Wetland in the world and one of the largest remaining intact forests on the planet. It is also home to 5 undammed watersheds - a key breeding ground for 50+ fish species. There has been a global interest in developing this area for mineral extraction, which poses a significant risk to the stability of the ecosystem.

**Norther Boreal Mountains (BC and Yukon):**  
Covering approximately 419,000 Sq. Kilometers, this region has a very diverse range of ecosystems and is home to some of the last remaining intact wildlife communities in North America. The entire Boreal ecosystem **stores about 12% of the world's land-based carbon reserves.**

**Western Arctic:**  
A region with a rich marine environment, the Arctic is critical to various species of fish, whales, seals and other Arctic wildlife. However, climate change in the Arctic is **occurring at twice the rate of the rest of the world**, resulting in thinner ice. This has led to higher ship traffic - both leisure and cargo. Ship traffic has brought unique challenges to the marine wildlife in this area such as underwater noise pollution.

## THREATS TO ECOSYSTEMS AND WILDLIFE

- 01

**OVER EXPLOITATION**  
Unsustainable practices in fishing (bycatch), hunting, logging and wood harvesting
- 02

**INVASION AND DISEASE**  
Invasive species, genes and disease that affect native species
- 03

**POLLUTION**  
Wastewater, Industrial Effluents, waste and air-borne pollutants
- 04

**CLIMATE CHANGE**  
Droughts, floods and ice thinning has impacted ecosystems
- 05

**URBAN DEVELOPMENT**  
Human settlements and structures and unsustainable tourism developments
- 06

**TRANSPORT**  
Roads, railway tracks, utility lines and flight paths can disturb wildlife
- 07

**HUMAN DISTURBANCE**  
Habitat loss and degradation including recreational activities and military exercises.
- 08

**AGRICULTURAL ACTIVITY**  
Farming, ranching, silviculture, mariculture and aquaculture
- 09

**ENERGY PRODUCTION**  
Mining, quarrying as well as oil and gas exploration
- 10

**SYSTEM MODIFICATION**  
Fire and fire suppression, dams and water management
- 11

**GEOLOGICAL EVENTS**  
Volcanoes, earthquakes, tsunamis, avalanches and mudslides

# KEY PLAYERS



The WWF-Canada has been on the forefront of conserving Canada's habitats and wildlife. They also play an important role in addressing climate change and providing solutions to these issues. WWF's Carbon Mapping study has been a game changer for the industry - it was the first comprehensive mapping of carbon stored in Canada's Landscapes. This study is vital to conservation in Canada as measures can be put into place to protect these "carbon sinks" and increase future absorptions. Currently, **Canada stores around 405 Billion tonnes of carbon** in its terrestrial ecosystems - **95% of this is found in the top one meter of soil** .<sup>1</sup>

WCS approaches wildlife conservation with a science and research backed approach. Their forefront mission is to collect undeniable evidence that species are going extinct and populations are declining<sup>2</sup>.

Wildlife Preservation Canada (WPC) focuses on saving at risk species from extinction through conservation breeding and release, reintroduction and translocation. WPC's expertise has had tangible results on wildlife.



# HISTORICAL PROGRESS

As a result of significant investment and initiative from non-governmental entities in Canada, significant strides have been achieved in a number of ecological arenas.

- Completed the first-ever national assessment of the health of Canada's freshwater ecosystems and the threats they face
- A Supreme Court of Canada victory confirmed the rights of municipalities to regulate the non-agricultural use of pesticides



- WCS' conservation breeding program led to the reintroduction of Swift Foxes into the wild after 60 years of local extinction<sup>2</sup>
- Assessment of which of the 18 species of bats in British Columbia and Alberta (the most in Canada) are most vulnerable to White-nose syndrome by studying their physiology and habitat use<sup>2</sup>



- Research undertaken by WPS Canada on the importance of the Flathead River Valley led to a decision to ban mining and oil and gas exploration in the valley's upper basin
- After years of WPS Canada research on Nahanni National Park, the government followed the recommendation to increase the park size



# FUNDING OF INITIATIVES

## GENERAL OVERVIEW



## SOURCES OF FUNDING



**GOVERNMENT**  
The Canadian Government launches initiatives and pledges funding for animal conservation efforts. The Government is investing \$340 million in new funding over five years to support Indigenous leadership in nature conservation, as part of Canada’s Budget 2021 investment of \$2.3 billion over five years in nature<sup>6</sup>.



**PRIVATE INVESTORS**  
Conservation companies create their own relationships with investors who pledge funding. These organizations can count on ongoing financial support this way.



**FUNDRAISING**  
Fundraising campaigns that target the public bring in funds. These efforts can happen online with the use of social media to promote or with in-person activities.

## MAIN EXPENSES

**1** conservation programs

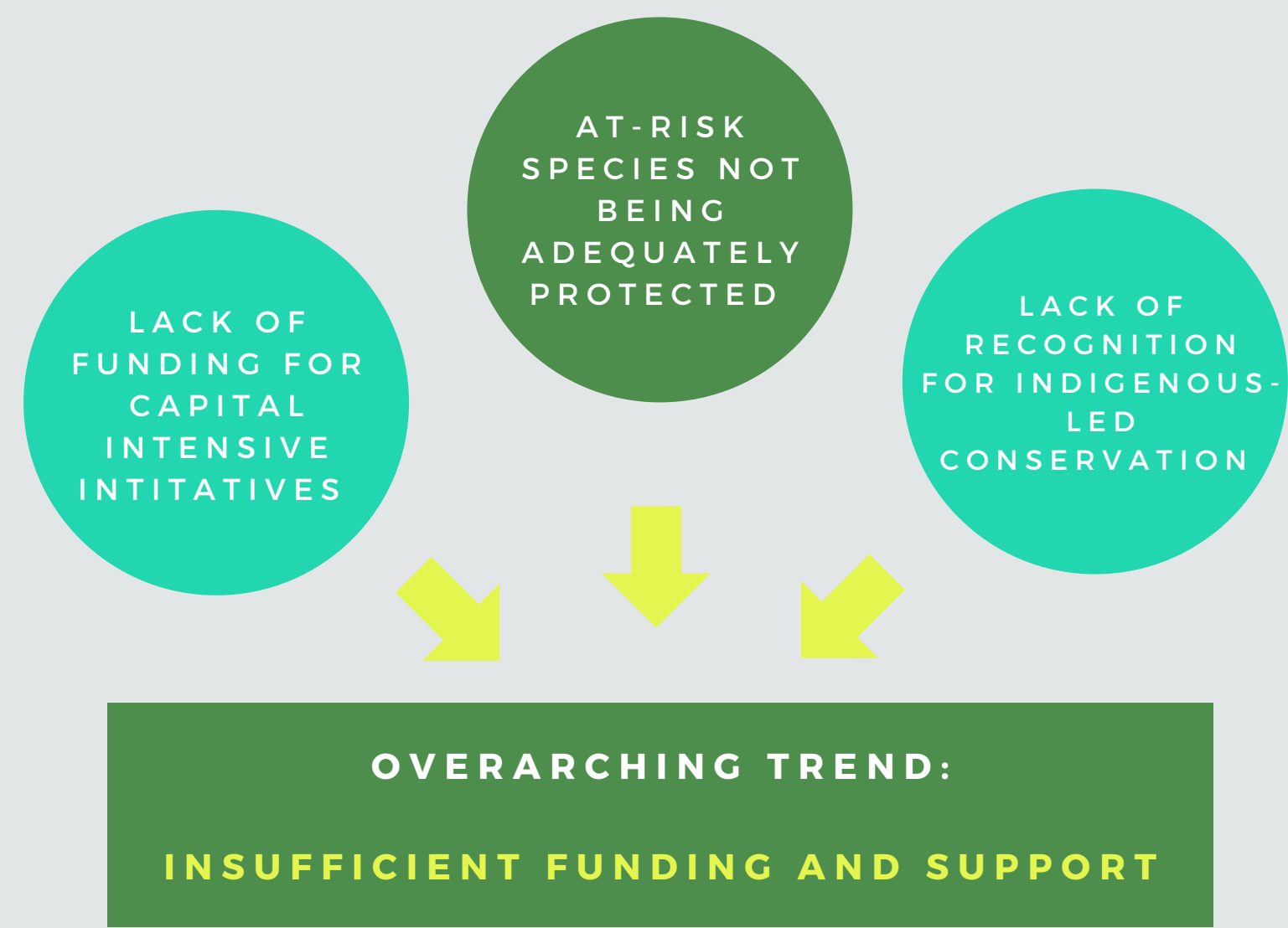
**2** raising support & awareness

**3** administrative support

# KEY STATISTICS

## KEY ISSUES

Through our team's research we were able to identify the top three issues the animal conservation industry faces.



## KEY FACTORS OF SUCCESS

- 01

Adoption of **Science Based Targets (SBT)** : Targets that put ecosystems and sustainability first will play a huge role in restoring ecosystems. If ESG measures include such targets, it will improve the effectiveness as SBTs are clearly defined and follow a quantitative approach .
- 02

**Effective and Involved personnel:** For a successful implementation, the people involved in conservation efforts must be committed to the cause. For the company's perspective, the people in charge of the ESG measures should have in-depth knowledge regarding the conservation effort being pursued, and work well with on the ground partners. These could include scientists, conservationists and indigenous led efforts. A right balance has to be found between all stakeholders.
- 03

**Research and Policies:** Effective research is at the forefront of conservation efforts in Canada, and for a good reason. With new technologies, there is more data available, which can be used to make decisions and support policies. For example, the carbon mapping study by the WWF has identified key carbon "sinks" in the area. Furthermore, research can pinpoint **Key Biodiversity Areas (KBAs)** - areas that are considered exceptionally important for wildlife and ecosystems.



# RECOMMENDATION ONE

## WHAT

Organizations should **create cross-sector relationships** to help them make more effective solutions with their conservation efforts. Connecting wildlife conservation organizations with corporations, indigenous communities, and the government is imperative in creating sustainable and achievable goals for conservation efforts.

## HOW

Cross sector partnerships are known to reduce risks, share responsibilities, costs and benefits. The **Coalition model** can be used in this scenario where governments, donors, private sector actors, civil society, and research institutions work together towards a common aim<sup>8</sup>. This would make ESG measures more substantial as corporations are working with institutions that are at the forefront of conservation in Canada. In this model, corporations and private sector players can focus more on the funding aspect, and the conservationists and research institutes can focus on protecting Canadian ecosystems.

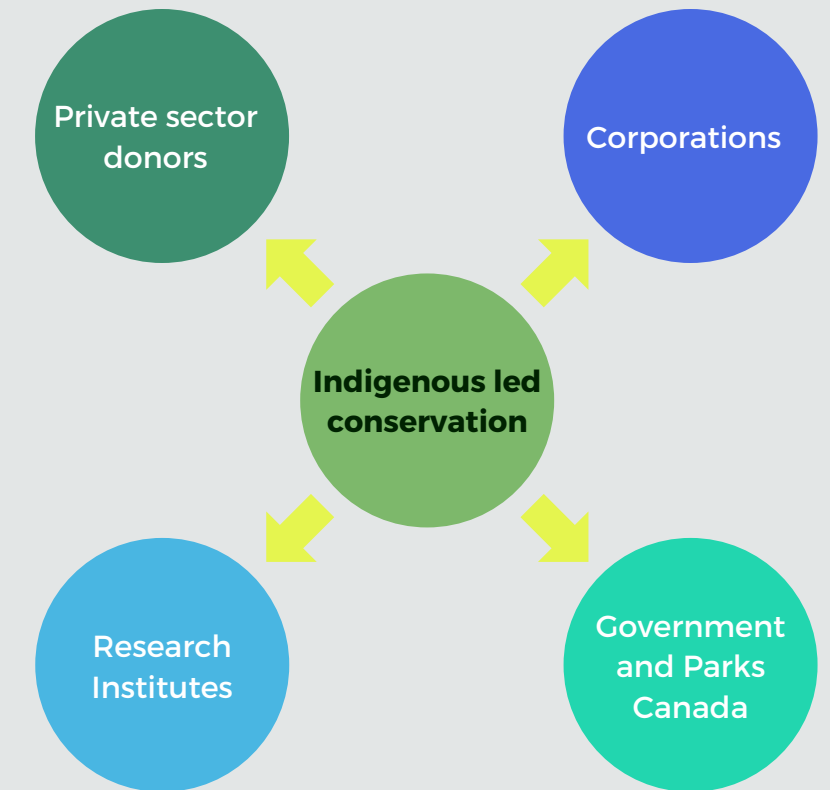
It has also been documented that **Indigenous Led conservation efforts have been astoundingly successful** - hence, they should be the main player in this partnership. Their knowledge of the ecosystems and wildlife across Canada is unmatched. This, coupled with modern research methods will provide a great opportunity when it comes to ecosystem restorations across Canada. Such partnerships will help Canada reach its goal of protecting 25% of its lands and waters by 2025 and 30% by 2030 .

## WHY

Creating cross-sector relationships will enable wildlife conservation efforts to be more effective and have a more significant impact. This is the ultimate goal for organizations as they want to keep as many species from going extinct and preserve the climate.

Corporations must get involved as species depletion has many side effects on the environment, such as a rise in infectious diseases in humans<sup>10</sup>. We have already seen the tremendous impacts of a new infectious disease on humans with the COVID-19 Pandemic which can lead to a plummeting economy. This isn't good for corporations as consumers will start spending less. Now more so than ever, consumers expect businesses to be sustainable and take the initiative in improving the world we live in.

By creating cross-sector relationships, organizations can pool resources they might not otherwise have access to. This increases the success factors previously discussed in the report.



## BENEFITS

- 1** access to more resources
- 2** protect more wildlife
- 3** slow down climate change
- 4** have input in government policies

# RECOMMENDATION TWO

## WHAT

In order to fuel revenue growth and directly fund research and advocacy measures, non-profit organizations in the animal conservation segment should venture to create an **increased awareness** of their operations.

While the term ‘awareness’ is often used quite liberally in charitable industries, it has the potential to be utilized strategically as an effective fundraising tool as well.

## HOW

In order to build a strong base of individual donors, a significant effort by NGOs and NPOs must be made in order to build and nurture strategic partnerships. Sector-transcending partnerships as mentioned above serve as an effective marketing medium to expand the donation base outside of the historical realm of recurring individual philanthropists, and is certainly a strategy of note.

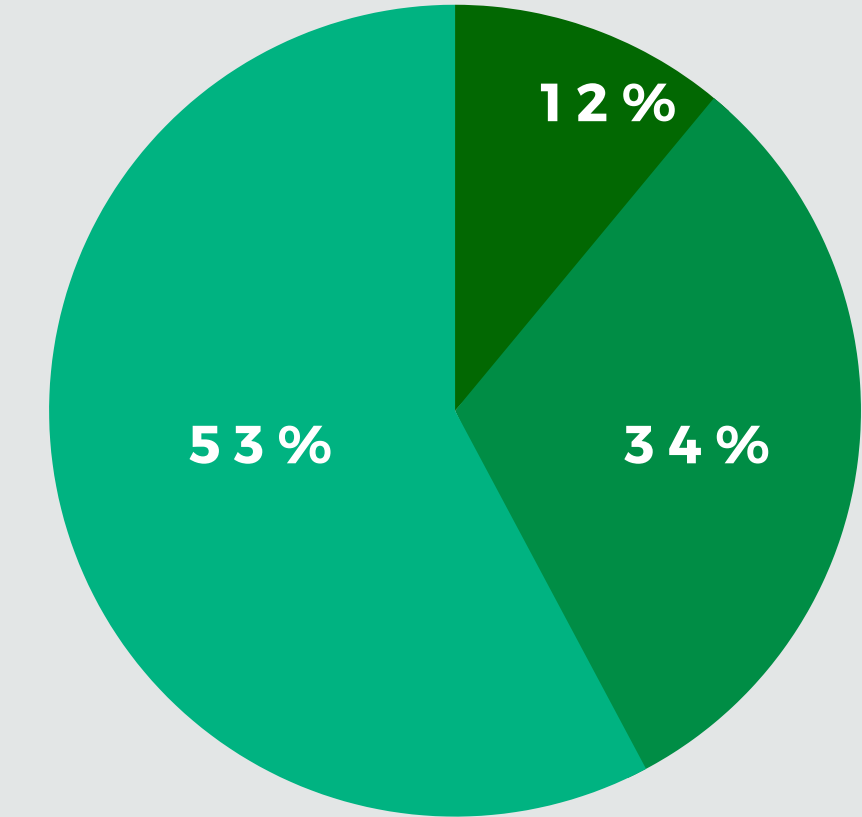
Moreover, it is alternative avenues of fundraising which should be primarily explored. One such avenue is workplace-giving, in which a workplace can endorse or encourage donations to a particular charitable organization in a number of ways, the most common of which is donation matching.

Venturing to expand donation matching programs and corporate partnerships will indirectly drive revenue from both corporate and individual donors, allowing wildlife conservation organizations to further fund their strategic efforts.

## WHY

As previously stated, the world of wildlife and environmental conservation carries an immense economic cost as a result of substantial capital expenditures in research, policy, and operations. Despite this, conservation based charities continue to struggle with building a noteworthy donation base, and represent only 2-3% of received donations in the Canadian charitable sector<sup>5</sup>. Beyond this, the vast majority of donations in these charities stem from private, consumer investors rather than institutions or governments.

WOULD YOU RATHER GIVE MONEY TO A CHARITY THAT LOOKS AFTER ANIMALS OR PEOPLE?<sup>11</sup>



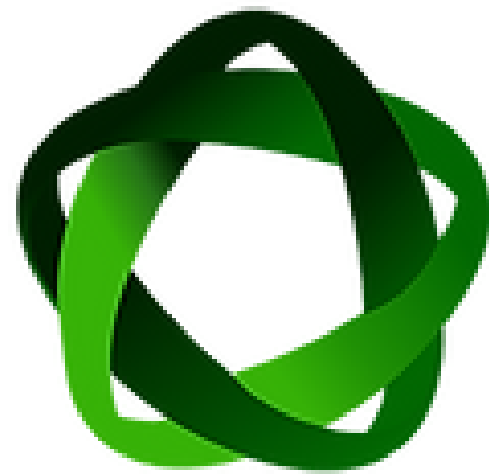
- Looks After Animals
- Looks After People
- Unsure



## Conclusion and Special Thanks

We hope this report was useful in understanding the significance of animal conservation issues. We'd like to highlight that animal conservation is a crucial issue that we must continue to act on. Our recommendations will help in doing so.

A special thanks to **Amy Castator** at the World Wildlife Fund and **Biz Agnew** at the Wildlife Conservation Society for providing us with insights that helped us put our report together.



# Endnotes

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