



INDIAN OCEAN
COMMISSION



WIO Coastal Challenge Trust Fund



Funded by



Opportunities for a WIOCC Conservation Trust Fund (CTF)

Prepared by Jim Tolisano and Katy Mathias

5-6 November 2015



Objectives of Our Meeting

- Provide an introduction to Conservation Trust Funds (CTFs)
- Determine what is unique about the WIOCC CTF, and how it can best coordinate and collaborate with other national and regional CTFs and coastal initiatives.
- Roles and responsibilities to get the WIOCC operational
- Mission, vision, and outcomes from a WIOCC CTF
- Creating a WIOCC CTF Working Group
- Next steps for the WIOCC CTF initiative - Work Plan

Day One Agenda

- 9:00-9:30 Welcome and introductions
- 9:30-9:45 Define the WIOCC CTF theory of change
- 9:45-10:30 Overview of conservation trust funds and a review of CTF case studies
- 11:00-12:00 Define the roles and responsibilities needed for the WIOCC CTF to move forward
- 1:30-3:00 Elaborate and verify the Mission for a WIOCC CTF
- 3:30-4:30 Elaborate and verify the Vision for a WIOCC CTF

Introductions

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**You are the WIOCC CTF Team
and we will need your contributions
as this process continues ...**

Initial Report on CTF Opportunities

- Prepared by WCS team January 2014
- Summarized the coastal risks & challenges facing WIO member countries
- Lessons learned from similar conservation finance mechanisms in the WIO region
- Recommendations for next steps to be taken to move a CTF initiative forward

Mission of the WIOCC

“To galvanize political, financial and technical commitments and actions at national and regional levels on climate change adaptation, promoting resilient ecosystems (marine and coastal resources), sustainable livelihoods and human security”

Vision of the WIOCC

“By 2032, in the face of climate change threats, the Western Indian Ocean Coastal Challenge (WIOCC) will be a strong and vocal partnership of WIO island and coastal countries and stakeholders, working together to build and implement climate-resilient development options and strategies to achieve a balance between enhanced coastal livelihoods and economies and effective conservation of biodiversity, ultimately contributing to greater levels of social security among coastal communities.”



Now we need to create a Mission & Vision for the WIOCC CTF

*This starts by determining
the WIOCC CTF Theory of Change*



The WIOCC CTF Theory of Change tells us how the CTF gets us from existing conditions to an improved future state.

- **Current Conservation Status** - what are the principal risks, threats, and challenges facing the WIO coasts?
- **Mission & Vision** - what will the WIOCC accomplish and how will achieve that mission?
 - What will the WIOCC do that is not being done by other similar initiatives in the region?
- **Desired Outcomes** - how will the world change as a result of the WIOCC initiative?
 - What specific resources will be needed to create this change?
 - How will funds and activities be managed to achieve these outcomes?

Current Conservation Status - Influencing Factors

Risks-Constraints	Opportunities
Climate Change	Potential revenues from resource development - offsets and compensation
Overexploitation of fisheries and marine based resources	Potential revenues from other market sources - new fees, lease agreements, fines, taxes, PES,
Coastal and Marine Habitat Degradation	Existing national and regional funds and initiatives
Marine Pollution	Existing national and regional agreements
Limited Technical Capacity	???
Communication Challenges - conflicting Ministries	???
???	???

WIOCC CTF Mission-Vision

ASSUMPTIONS

- Risks-threats can be avoided, mitigated, or offset through initiatives funded by the WIOCC CTF
- CTF revenues can be obtained quick enough to make a difference
- The WIOCC CTF will accomplish results that no one else can deliver.
- ???

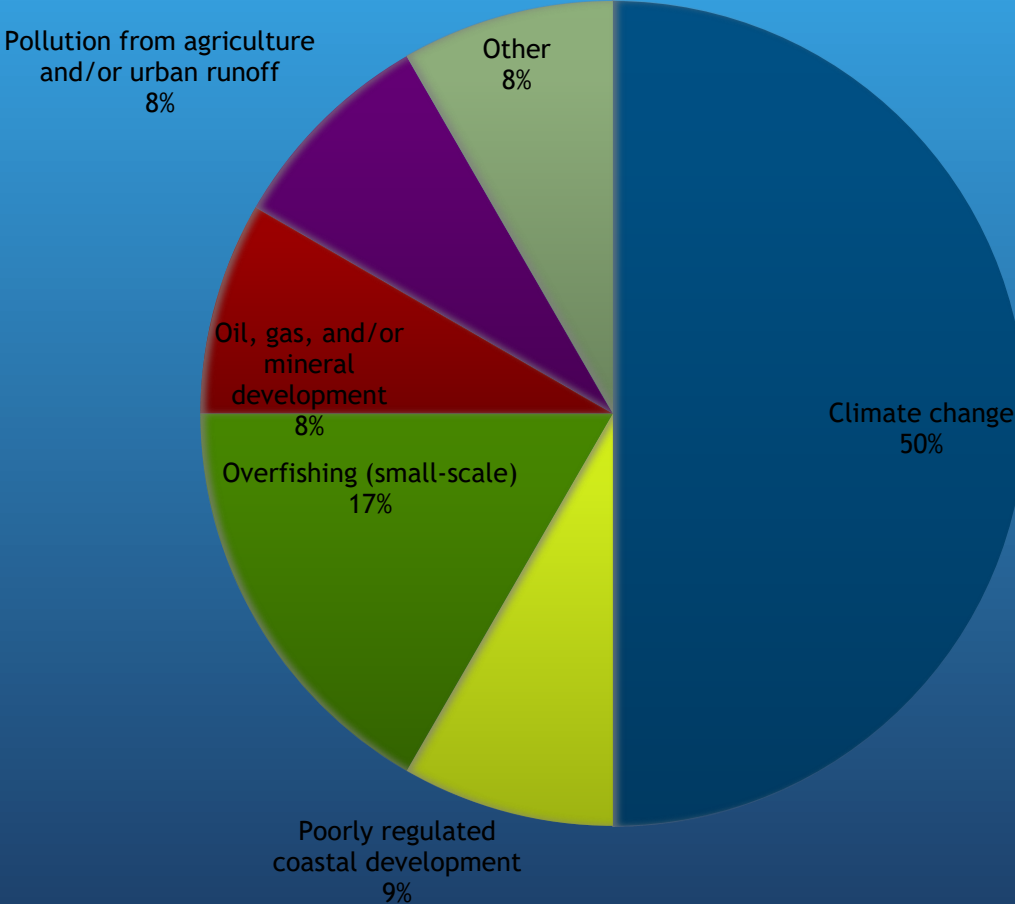
WIOCC CTF Desired Outcomes

Needs	Assets - Resources
Seed capital to support planning, staffing, and administrative setup	Government-NGO-DFI-donor support
A business plan to identify potential “clients” (users and beneficiaries from the CTF), define financial needs, funding sources, project selection criteria, and administrative structure	Many collaborative opportunities with existing national and regional initiatives and conservation funds
Financial planning to include a CTF account, funds dispersal, accounting, and management structure	WIOCC has an existing organization structure, legal standing, & work plan
???	???

The WIOCC CTF Survey

- Rank the most pressing challenges facing the WIO region.
- Where should new conservation initiatives focus in order to respond to the most pressing environmental challenges?
- What other geographic areas should be included in any new initiatives to protect and conserve coastal and marine resources in the WIO region?
- What is needed to respond to WIO's most urgent challenges?
- What is the best strategy for funding and implementing any new coastal conservation initiatives in the WIO region?
- What should be the role or roles of the Western Indian Ocean Coastal Challenge (WIO-CC) in the funding and implementing of any new coastal conservation initiatives in the WIO region?
- What is the most appropriate administrative structure for the WIO-CC?

Rank the most pressing challenges facing the WIO region.



Where should new conservation initiatives focus in order to respond to the most pressing environmental challenges?

- 24 sites mentioned - obviously the entire WIO is of concern!

Interesting recommendations:

- Areas of high vulnerability on sea water intrusion
- Areas of low lying profiles
- Areas of high population density
- Areas of high coral species diversity
- Areas of mass aquaculture (e.g seaweed farming) operations
- Areas with major development initiatives such as Mozambique channel (Oil and Gas exploration) and Tana river delta (large scale agricultural plantations) delta

What other geographic areas should be included?

- From Somalia to Mozambique
- Set a percentage relative to the size of the area
- geographic scope should include river basin approach, not only coastal
- Au niveau de Madagascar: Plateau de Madagascar , Tuléar cap Sainte Marie, Sud Cap Saint André,
- Areas of coral reefs - Areas of rare marine species - Areas of integrated management plans - Tourism zones
- Saya de Malha

What is needed to respond to WIO's most urgent challenges?

Response	# Selecting
Improved management of existing MPAs	10
Local community management of small scale fisheries	10
Research to develop tailored conservation strategies	6
Improved regional harmonization / policy / advocacy	7
Training / capacity building for scientists / MPA managers	9
Other	6

What is the best strategy for funding and implementing any new coastal conservation initiatives in the WIO region?

- PES at National Level - 3
- Offsets - 3
- Direct government budget support - 2
- Funding from development partners, donors & foundations - 1
- Other:
 - Grants, loans and the effective involvement of other communities
 - Local problems should find local support
 - Blue Carbon

What should be the role of the WIO-CC in the funding and implementing of new initiatives?

- A coordinating body ensuring that existing national funding mechanisms include regional conservation needs and concerns (4)
- A resource to provide policy and technical guidance to existing regional and national conservation funding mechanisms (3)
- A funding mechanism to raise money on a regional level and allocate grants according to regional conservation priorities (2)

What is the most appropriate administrative structure for the WIOCC?

- **Governing body with administrative Secretariat (5)**
- **Body of advisory delegates; administration & implementation conducted by individual countries (2)**
- **Body of advisory delegates; administration & implementation conducted by an existing regional authority or entity (2)**

Other Survey Observations

- The Presidency must be dynamic throughout the process to implement any structural sustainability for the WIOCC
- An operational structure must be created and implemented
- Need to closely assess priority issues on coastal conservation strategies in each individual country within the WIO region
- There is a need to carry this out under an existing umbrella (e.g. Nairobi Convention, etc.). Reinforce such an umbrella as to ensure an effective functioning of the trust fund. It is very difficult to sustain the functioning of another regional body in the region given the existing availability and capacity.

An Overview of CTFs

BUILDING
CONSERVATION
TRUST 



biofund

Foundation for the Conservation of Biodiversity - Mozambique



Types of Funds

- **Endowment Fund** - large fund with capital invested over long term and only interest is spent.
- **Sinking Fund** - Large fund with the principal invested, and a stipulation that all funds must be spent over a specified time frame.
- **Revolving Fund** - Annual payments into fund are received from a variety of conservation markets - taxes, fees, fines, PES, bonds, compensation.

Regional CTFs



The Bahamas



British Virgin Islands



Dominican Republic



Grenada



Jamaica



Puerto Rico



Saint Kitts & Nevis



Saint Lucia



Saint Vincent & the Grenadines



Environmental Factors
and the Mesoamerican
Barrier Reef

By: Christina Callegari



Caribbean Biodiversity Fund

Caribbean Sustainable Finance Architecture for Conservation

- A regional endowment fund
- Resources to assist countries to achieve CBD goals, the **Caribbean Challenge Initiative**, national conservation priorities, and to help close the conservation finance gap
- Initial set of 8 National Protected Areas Trust Funds (NPATFs)

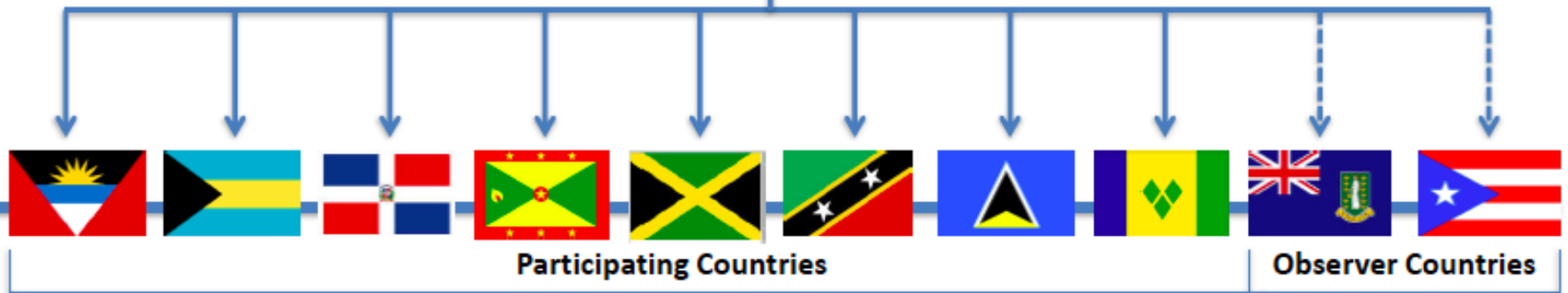


~\$42M

CARIBBEAN BIODIVERSITY FUND

Board of Directors*
 Secretariat

Partners
 BAKER TILLY GOMEZ CHARTERED ACCOUNTANTS
 UBS
 MOORE STEPHENS

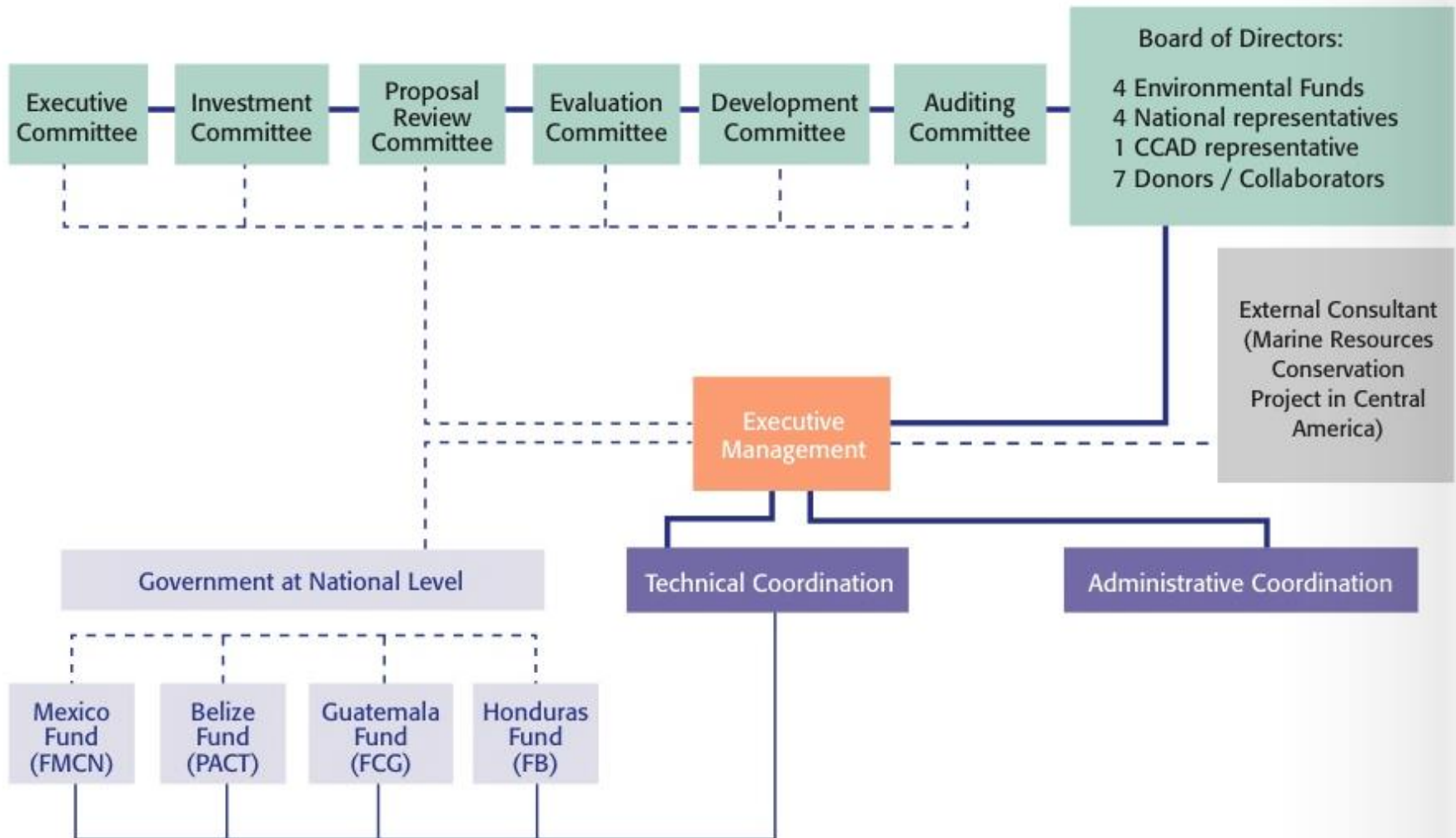


* Majority non-government

Mesoamerican Reef (MAR) Fund

- **Purpose:** To ensure responsible use and conservation of the Mesoamerican Reef Ecoregion through long-term dependable funding and collaborative planning and priority setting.
- Conservation Trust Fund registered as a US nonprofit
- Four member CTFs: Mexico, Belize, Honduras, Guatemala

MAR Fund



Tri National Sangha Foundation

- Independent conservation trust fund created for the protection and management of a trans-boundary forest complex called the Sangha Tri-National which covers a total surface area of some 28,000 km²
- Three contiguous National Parks of Lobeke in Cameroon, Dzanga-Ndoki in the Central African Republic and Nouabale-Ndoki in Congo (Brazzaville), and their buffer zones.
- Objective is to contribute to the specific priority financial needs for managing each of the three TNS parks (conservation and sustainable management of natural resources in the peripheral zones).
- HQ in Cameroon; registered in the UK.

Micronesia Conservation Trust

- CTF founded in 2002 as a national organization; in 2008 completed transition to a regional CTF (with changes to Board)
- Micronesia Challenge (TMC) aims to effectively conserve at least 30% of the near-shore marine resources and 20% of the terrestrial resources across Micronesia by 2020.
- Commitment by the Chief Executives of
 - Federated States of Micronesia (FSM)
 - Republic of the Marshall Islands (RMI)
 - Republic of Palau

WIO-Region CTFs



*For Sustainable Financing
of Forest Management*



WIO-region CTFs

- Fondation Tany Meva (Madagascar)
 - Founded in 1996
 - Community projects for environmental purposes
 - Capitalization: \$16+M (USD)
- Fondation Pour les Aires Protégées et la Biodiversité de Madagascar (FAPBM)
 - Founded in 2005
 - Funding recurrent costs of protected areas and projects reducing pressures put on them
 - Capitalization: \$59+M (USD)

WIO-region CTFs

- BioFund (Mozambique)
 - Founded 2011, launched June 2015
 - Conservation of terrestrial and marine biodiversity, sustainable use of natural resources, including the consolidation of the national Protected Areas system
 - Capitalization: €13.2
- Tanzania Forest Fund
 - Founded 2010
 - Mobilize and provide stable reliable and long term sources of funding for conservation and sustainable management of Forest Conservation and Sustainable Forest Management (SFM) (includes coastal mangrove forests)
- Seychelles Climate Adaptation Fund

Other collaborative models



Coral Triangle Initiative (CTI-CFF)

- Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF)
- Multilateral partnership of six countries (Malaysia, Indonesia, Philippines, Papua New Guinea, Solomon Islands, Timor-Leste)
- Formed in 2007 to address the urgent threats facing the coastal and marine resources of the Coral Triangle
- Managed through a Secretariat based in Jakarta, Indonesia

CTI-CFF



CORAL TRIANGLE INITIATIVE

ON CORAL REEFS, FISHERIES AND FOOD SECURITY



- Agreement had to be ratified by all six governments
- Plan for contributions by all participating governments
- Exploring other financing mechanisms

Key Point About All of These CTFs:

- They take a long time to put in place. Be patient!
- They require very careful planning of the administrative structure, financial management, and operational procedures.
- Funders will not pay attention until you have all of the details completed and you can demonstrate that local structures, decision-making, and communication is fully functional

Case in Point: the BioFund in Mozambique was incorporated in 2011 and became operational in 2015.



Task: Define the roles and responsibilities for a WIOCC CTF

- WIOCC CTF Working Group
 - What positions should be included in this group?
 - What will the Working Group accomplish? By when?
 - How often will the Working Group meet?
- What will the CTF finance?
 - What activities will be supported? What activities will NOT be supported?
 - How much funding will be necessary to achieve the WIOCC mission?
 - What makes the WIOCC CTF unique?
- How will the funds be managed and administered?
 - Where will the WIOCC CTF be housed and why?
 - How will funds be managed, disbursed, and accounted?
 - How will the WIOCC CTF coordinate its work with other national and regional trust funds?

WIOCC CTF Working Group

Position	Who	Responsibilities

Working Group Tasks	When Completed?

How often will the Working Group meet?

What Will the WIOCC CTF Finance?

Activities to Be Funded	Amount of Funding Needed	Activities Not Funded

What makes the WIOCC CTF unique?

WIOCC CTF Management

- Where will the WIOCC CTF be housed and why?

Organization: _____

- How will funds be managed, disbursed, and accounted?
- How will the WIOCC CTF coordinate its work with other national and regional trust funds?

Task: Write the Mission Statement for the WIOCC CTF

- What will the CTF accomplish?
- What does the CTF value?
- Who are the “clients” of the CTF?
- Where does the CTF work?
- How is the CTF unique regionally?
- How does the CTF coordinate with other national and regional CTFs?

Sample Mission Statements

British Columbia Habitat Conservation Trust Mission:

“To invest in projects that maintain and enhance the health and biological diversity of British Columbia’s fish, wildlife, and habitats so that people can use, enjoy and benefit from these resources.”

Belize Protected Area Conservation Trust:

“To contribute to the sustainable management and development of Belize’s natural and cultural heritage by providing effective funding support to protected areas.”

Statement for the WIOCC CTF

Inform - Inspire - Energize

- How does the WIOCC CTF change conditions in the WIO region? What is different? How is it improved?
- In what time frame do these changes happen? By when do we see real results?
- What does the world look like after the WIOCC CTF achieves its results?

Vision of the WIOCC

“By 2032, in the face of climate change threats, the Western Indian Ocean Coastal Challenge (WIOCC) will be a strong and vocal partnership of WIO island and coastal countries and stakeholders, working together to build and implement climate-resilient development options and strategies to achieve a balance between enhanced coastal livelihoods and economies and effective conservation of biodiversity, ultimately contributing to greater levels of social security among coastal communities.”



Outputs from WIOCC CTF

Planning Meeting

Victoria, Seychelles

November 4-5 2015

WIOCC CTF Mission & Vision

The Mission

To contribute to the sustainable development and resilience of the Western Indian Ocean region by mobilising funds for state and non-state actors to mitigate and adapt to the impacts of climate change, conserve biodiversity and enhance livelihoods.

The Vision

To be the leading sustainable Conservation Trust Fund in the Western Indian Ocean region for a prosperous, healthy, and resilient coastal and marine environment by 2032.

WIOCC CTF Working Group Assignments

- **Lead - Kenya**
 - Deputy - ???
- **Communications Lead - Zanzibar**
 - Deputy - ???
- **Advocacy Lead - Seychelles**
 - Deputy - ???
- **Resource Mobilisation - Seychelles (Chair)**
 - Deputy - ???

Recommendations for WIOCC CTF Working Group Roles & Responsibilities

- **Working Group** - responsibilities:
 - Prepare TOR for WIOCC CTF Coordinator
 - Develop the overall framework for the CTF
 - Endorsement of CTF concept by Conference of Parties (NC)
 - Facilitate the establishment of a legally binding CTF
 - Develop and implement CTF work plan
 - Develop proposal for the interim funding of a CTF management team
 - Prepare the TOR for the hiring of the CTF management team, and oversee the hiring of the team
 - Guide the preparation of the CTF operational procedures, administration and financial management

Working Group Lead (Kenya) should prepare a work plan to guide the scheduling of all Working Group responsibilities

Next Task: Prepare a Work Plan for a WIO CTF Working Group

Task	Who will do it	By When?	Resources Needed

Meetings: when and where does the Working Group meet next?