

BNCFF

PROJECT IMPACT REPORTS

2

The Blue Natural Capital Financing Facility (BNCFF) supports the development of sound, investable Blue Natural Capital (BNC) projects with clear ecosystem service benefits, multiple income streams and appropriate risk-return profiles.

This score card is part of the final assessment of the projects supported by BNCFF (2019-2021). Each score card provides an overview of a particular project, details its achievements, its success and challenges, before presenting the way forward.

Tourism-Funded Marine Protected Area Management Turneffe Atoll, Belize



BNCFF

Blue Natural Capital Financing Facility

Project in a snapshot

Title	Tourism-Funded Marine Protected Area Management
Country	Belize
Project Developer	Turneffe Atoll Sustainability Association ("TASA") / Althelia / Blue Finance
Vision	Investing in Marine Protected Areas and development of coastal communities in Turneffe Atoll, Belize
Overall Project goals	Implement a number of sustainable revenue-generating initiatives and enhance the protection of the 132,000 hectares consisting of spectacular coral reef ecosystems, mangrove forests, and seagrass beds
BNCFF supported activities	<ul style="list-style-type: none">• Blue carbon readiness activities• Procurement of equipment to improve enforcement and surveillance, and visitor experience and management
Main stakeholders	<ul style="list-style-type: none">• TASA• Blue Finance• Mirova• Government, notably Ministry of Blue Economy of Belize• Research institution• Local communities
BNC focus	MPA
Duration	4 months (2021)
Type of funding	Grant
Links/synergies	<ul style="list-style-type: none">• Contributes to SDG 1 (No Poverty), SDG2 (Zero Hunger), SDG5 (Gender Equality), SDG8 (Decent Work and Economic Growth), SDG 13 (Climate Action), SDG 14 (Life Below Water), SDG15 (Life on Land), SDG17 (Partnerships for the goals)• Contributes to climate mitigation and adaptation• Opportunity to adhere to the IUCN Global Standard on NbS
BNCFF Blue Print	<u>Nature based tourism-funded marine protected area management: using blended finance to tap into the potential</u>

1. Project summary

Althelia approached BNCFF to consider supporting a loan facility. Althelia intends to extend to the Turneffe Atoll Sustainability Association (TASA), or a special purpose vehicle created by TASA and partners, in Belize. TASA is the lead operator of the Turneffe Atoll Marine Reserve (TAMR), a marine protected area in Belize.

The Turneffe Atoll Sustainability Association co-manages the Turneffe Atoll Marine Reserve under a co-management agreement with the Belize government from 2012. It is one of nine marine reserves in the country. The TAMR – located 32km east of Belize City – is approximately 48.3 km long and 16.1 km wide, covering some 132,000 hectares, 11,000 hectares of which are mangrove forests. The TAMR is considered the largest and most biologically diverse coral atoll in Belize and in the Mesoamerican Reef ecoregion at large.

Except for about 12% of its area, which are fully protected conservation (or “replenishment”) zones, TAMR has a multiple-use policy permitting commercial (non-industrial) fishing (lobster, conch and finfish), tourism activities (sport fishing, diving, snorkelling, ecotours), education and research.

TASA has received the exclusive mandate from the Belize government to charge fees to the visitors undertaking activities in the TAMR. However, as of today, Althelia reckons that “a very reduced part of these visitors is paying the TAMR statutory fees due to lack of implementation and the development of tourism products.”

Pre-COVID, TAMR enjoyed some 15,000 visits by mostly high-end tourists a year (data for 2019). Two thirds of the visitors stayed overnight; 5,000 visitors were day tourists, often traveling by boat (cruises).

2. Purpose of the engagement with BNCFF

Funding was required for TASA to fully assume its role as co-manager of the TAMR, notably to develop high-end tourism products and implement a user/visitor fee system applying to both stay-over and day visitors. They also wish to build better infrastructure for visitors (picnick areas, paths, toilets, etc.), purchase additional hardware for enhanced management and monitoring (new patrol vessels, mooring and demarcation buoys; improving monitoring systems for fishing vessels), develop a “sea safari tourism” business concept; and create a center for science and education with lodging facilities to host national and international researchers.

TASA also needed funding to design and implement a “blue carbon” project for the conservation of the TAMR’s 11,000 hectares of mangroves. The annual deforestation is estimated to be at 0.2%. TASA reckons that deforestation may go up to 0.5% per year given the increased development demand (tourism, infrastructure).

In view of the above, BNCFF was asked to fund:

1. Blue carbon readiness activities
2. The purchase of equipment to improve enforcement and surveillance, and visitor experience and management.



3. Main outputs and results



BIODIVERSITY AND NATURE BENEFITS

- The mangrove trail, hammock bridge, and observatory tower on Calabash Caye were successfully constructed.



SOCIAL AND LIVELIHOOD

- Equipment to improve enforcement and surveillance, and visitor experience and management was procured:
 - 1 patrol boat
 - 1 engine 60HP
 - 50 Vessel Monitoring Systems devices
 - Moorings, equipment and demarcation buoys



LEGAL AND FINANCIAL

- A blue carbon readiness assessment was conducted and a draft proposal for the management of the Blue Carbon Program developed.



GOVERNANCE AND TRANSPARENCY

- Blended Finance intervention: The Blended Finance Funding Facility (BFFF) was established through constant communication between TASA and its Impact Investment partners, including BNCFF, for drafting the operational framework.

4. Success and challenges

The project faced some delays and budget shifts due to a number of reasons, including the COVID-19 situation, the increased shipping costs and availability of materials and parts, as well as

the change in government. However, the project adapted well and proactively to reach the objectives set and delivered the outputs agreed under the BNCFF grant.



5. Looking beyond BNCFF



BIODIVERSITY AND NATURE BENEFITS

- Continue the ecological monitoring of important species (lobsters, finfish, conch) and spawning aggregation sites.



SOCIAL AND LIVELIHOOD

- Build better infrastructure for visitors (picnick areas, paths, toilets, etc.).
- Create a center for science and education with lodging facilities to host national and international researchers together with the University of Belize Environmental Research Institute.
- Continue exploring the possible development of alternative livelihoods for coastal communities such as seaweed farming.
- Continue to monitor and assess social and economic impacts in local communities.



LEGAL AND FINANCIAL

- Continue developing and implementing a user/visitor fee system applying to both stay-over and day visitors, notably addressing banking issues related to online fee collection system.
- Maintain the additional hardware acquired with a view to enhancing management and monitoring (new patrol vessels, mooring and demarcation buoys; improving monitoring systems for fishing vessels).
- Develop a “sea safari tourism” business concept.
- Implement a “blue carbon” project for the conservation of the TAMR’s 11,000 hectares of mangrove.
- Maintain fisheries surveillance activities (patrols, controls of fishers, arrests of illegal fishermen in partnership with Coast Guards). Over the summer 2021, offenders fishing lobsters outside of the open season were arrested.



GOVERNANCE AND TRANSPARENCY

- Complete the recruitment of the Management Team and operationalisation of the Blended Finance Funding Facility.



Disclaimer: The BNCFF provides assistance to projects on their path to becoming sound, investable Blue Natural Capital (BNC) businesses with clear ecosystem service benefits, multiple income streams and appropriate risk-return profiles. Beyond the support provided, IUCN and the BNCFF donor(s) bear no responsibility for the development of these projects, their ultimate bankability or sustainability, their investors, donors, and funding arrangements, unless otherwise noted.

Photo courtesy by the Project Developer.

Since its launch in 2018, the BNCFF has become a global brand name in Ocean Impact Finance. After screening over a hundred proposals, it has supported a suite of blue Nature-based Solutions (NbS) pioneer projects with grant funding.

<https://bluenaturalcapital.org/supported-projects/>

The BNCFF is funded by the Ministry of Environment, Climate and Sustainable Development, Government of Luxembourg.

BNCFF | PROJECT IMPACT REPORTS



BNCFF
Blue Natural Capital Financing Facility



THE GOVERNMENT
OF THE GRAND DUCHY OF LUXEMBOURG
Ministry of the Environment, Climate
and Sustainable Development