Sustainable finance for marine management

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UK SEAS Project

- 5 year programme of work led by WWF
- Aim: improve effectiveness and sustainable management of Marine Protected Areas in case study areas, and develop tools and approaches for sharing

Work areas:
- Engaging communities
- MPA governance
- Sustainable funding
Why work on sustainable finance?

The problem:
Dependence on dwindling government resource and short-term grants to support environmental management and monitoring

The solution:
Develop innovative long-term finance mechanisms to tap into alternative sources of finance including private sector

The principle:
Benefits (environmental, financial, social) can be gained from investment in improving environmental assets
Sustainable finance project

Vision:

A proven model for sustainable financing of MPA management systems is made available to MPAs throughout the UK and globally, ensuring the long-term viability and success of protected marine ecosystems, and encouraging the uptake of MPA designation.

Environmental Finance

Enabling investment into conservation, the environment and communities at scale
North Devon’s MPA funding gap

- **£200k**: Average cost of a well-managed North Devon MPA per annum
- **£44k**: Current average cost of a North Devon MPA per annum
- **7**: Number of North Devon MPAs
- **£1.1m**: Total funding gap (p.a.)
<table>
<thead>
<tr>
<th>Place-based portfolio</th>
<th>MPAs are governed by a charitable trust, with funds generated through an endowment</th>
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<tbody>
<tr>
<td>Marine biodiversity net gain fund</td>
<td>Proceeds from mitigation payments obtained from planning obligations are invested in MPA management</td>
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<tr>
<td>Blue carbon fund</td>
<td>Sale of blue carbon credits generates revenues for MPAs</td>
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<td>Nutrient offsetting scheme</td>
<td>Establishing a market for “nutrient credits” would enable water quality improvement for MPAs</td>
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<td>Marine improvement district</td>
<td>A voluntary levy from businesses operating in the local area would be earmarked for MPAs</td>
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<tr>
<td>Blue impact fund</td>
<td>Investment in environmentally sustainable marine and coastal businesses will generate financial and environmental benefits for MPAs,</td>
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- Being tested as part of the North Devon Biosphere
- Requires policy change
- Undeveloped blue carbon market
- Complex delivery
- Could be implemented as part of a place-based trust structure
- Highly replicable, scalable, and enhances local economies
Blue Impact Fund

Strategic investment in environmentally sustainable marine and coastal businesses will generate both financial and environmental benefits for MPAs.
Illustrative Blue Impact Fund Structure

Private investors / public stakeholders

Blue Impact Fund

Philanthropic Organisations / Donors

Investee Projects

Marine Protected Areas

Place-Based Trust

Surplus cash

Investment

Returns

Surplus

Benefits

Other sources of funding

Offsetting payments

Carbon credits

Marine Improvement District
Investable projects

- Environmental focus
  - Suited to purely philanthropical capital
  - ✔ Environmental benefit
  - ✔ Financial returns

- Commercial focus
  - Suited to purely commercial capital

Working together to safeguard Marine Protected Areas
Examples of investable projects

- Eco friendly wildlife tours
- Citizen science diving to support MPA management
- Offshore mussel farm
- Recycling plastic from used fishing nets
- Installing sails on shipping vessels
- Seaweed production
Project progress

- Scoping phase:
  - ~80 stakeholder contacts

- Analysis:
  - ~50 opportunities reviewed
  - Funding needs assessed

- Recommendation:
  - Build business cases

- Implementation:
  - Blue Impact Fund

We are here

Working together to safeguard Marine Protected Areas
Thanks for listening!

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