Proposed World Parks Congress Workshop
Sustainable Finance Stream, Applications

I. Title of Workshop

Building a Diverse Portfolio to Sustainably Finance Marine Protected Area (MPA) Networks.

II. Overview and Objective

An overall objective of the Sustainable Financing stream at the World Parks Congress is to identify practical tools and experiences that will allow protected area managers to increase their funding baselines and dampen funding oscillations, i.e., the typical “boom-and-bust” cycles. No single source of financing is likely to be sufficient to cover, on a long term, reliable basis, the recurrent and investment costs needed to effectively manage protected areas and protected area systems. It will be necessary to design and put in place a number of different mechanisms that, together, will provide sustainable financing.

Some of these mechanisms will likely operate at a local level and generate resources for only one park or one type of activity. Others will function at a national or system-wide level, necessitating transparent arrangements to allocate resources across various protected areas. Still others will not be mechanisms to generate resources, but instead are management approaches that lower costs and, at the same time, engender a greater sense of ownership for and participation in conservation and sustainable development activities by key stakeholders.

It is also important that funding generated for conservation be effectively channeled to activities on the ground. An examination of different administrative and governance approaches is, therefore, an important ingredient to sustainable financing. In this regard, experience with various types of partnerships, collaborative management mechanisms, and delegation of responsibilities to third parties (e.g., privately-operated reserves) can inform decisions by managers and policy-makers with regard to long term sustainability.

Finally, long term financing for protected areas and biodiversity conservation in general should be placed in a more business-like context – both in terms of developing business approaches to protected area management and financing, and in terms of identifying and providing incentives for financially-sound and environmentally sustainable economic activities that will allow people who live in protected areas or use park resources, and their descendents, to earn a decent livelihood and enjoy these resources.

The purpose of this session is to present three cases where managers have begun to integrate different financing mechanisms and management approaches into a sustainable financial strategy or business plan. Discussion will focus less on the individual mechanisms (this will be done in other sessions at the Congress) and more on the
challenges and opportunities to combine them into a portfolio that will achieve long term financial sustainability for protected area systems. The examples chosen will be drawn from a marine context, and will focus on developing a diverse sustainable finance portfolio for functionally-connected networks of marine protected areas. This will permit this session also to serve as a “cross-cut” with the marine stream at the Congress.

III. Content and Structure of Workshop

The workshop will feature 3 case presentations and three commentators. A total of three hours will be needed for the workshop. Case presentations will be approximately 15 minutes in length. They will identify strengths and weaknesses of each approach implemented, as well as the requirements and conditions for successfully integrating them to achieve long-term sustainability. These presentations will be followed by three 5 minute prepared comments that look at these and other cases from the perspective of cross-cutting themes. Substantial time for discussion among workshop participants is planned. The three cases proposed are:

1. Mexico, where government budget allocations, entrance fees, and support from the Mexican Fund for Nature Conservation have combined to support four MPAs that are part of Mexico’s national protected area system.
2. Chumbe Island, a privately managed MPA in Tanzania that provides lessons about the role of private reserves within an overall financing strategy.
3. Eastern Indonesia (Bunaken and Komodo National Parks), where collaborative management approaches, concession arrangements, fees, and active engagement of the dive industry have been implemented.

The chair of the panel will provide a 5-10 minute overview at the outset to frame the cases, and – following the case presentations and comments – will catalyze a discussion among the panelists and workshop participants of lessons and recommendations for integrating these approaches into a comprehensive portfolio of mechanisms to support entire MPA networks.

Written summaries of the cases will be distributed in advance and will also be available at the workshop itself.

IV. Outputs

Participants will gain an understanding of the challenges and opportunities to combine specific finance and collaborative management mechanisms into portfolios to provide reliable long term funding for marine and other protected area networks/systems. They will develop contacts with other practitioners with whom they can continue to share information and experiences following the Congress.

A Training Guide for Understanding, Selecting, and Implementing Conservation Finance Mechanisms has been prepared by the Conservation Finance Alliance (CFA). The Guide includes a wide range of practical, “how-to” tools on many specific finance mechanisms
designed to support action on the ground. An updated version of the Training Guide will be distributed at the World Parks Congress. As part of this update, additional materials, tools, and cases related to marine protected areas and MPA networks will be included in the Training Guide:

- existing tools in the Guide will be expanded, edited, and enhanced to reflect marine examples and the full range of finance options, potential benefits, and beneficiaries available in MPAs and other marine contexts;
- existing chapters and cases will be revised or expanded, additional cases prepared, and additional contacts identified related to marine examples; and
- marine examples/cases of governance options for channeling resources generated by various finance mechanisms to conservation activities on the ground will be identified, including co-management, delegation to private sector, and trust funds administering resources in dedicated accounts.

Following the Congress, the CFA Training Guide will be translated and disseminated widely, building on the momentum that will be generated by the central role the Guide will have in the sustainable finance stream. In addition, The Nature Conservancy – and perhaps other CFA members – has proposed preparing a state of the art publication and related communications tools on sustainable finance for MPA networks drawing on the results of this workshop that could be available for the 7th Conference of the Parties of the Convention on Biological Diversity in 2004.

V. Nominations

The chair and most of the panelists/commentators are still in the process of being identified. Candidates are listed below.

1. Scott Smith, The Nature Conservancy
2. Panelist 1: Renee Gonzalez, Director, Protected Natural Areas Fund, Mexican Fund for Nature Conservation
3. Panelist 2: Sibylle Riedmiller, founder-director, Chumbe Island Coral Park
4. Panelist 3: A combined presentation on experiences in eastern Indonesia by Mark Erdmann, Natural Resources Management Project and Rili Djohani, Director, The Nature Conservancy’s Southeast Asian Center for Marine Protected Areas and Chair, WCPA-Southeast Asia Marine Working Group
5. Commentator 1: Economics and valuation of marine resources as a foundation for sustainable finance portfolios: Lucy Emerton, Asia Regional Environmental Economics Program, IUCN
8. Other key participants to be invited – expect to identify 10-15 key participants; candidates include:
• Nyawira Muthiga, Kenya Wildlife Service
• Janet Kaleha, Warden in Charge, Kisite/Mpunguti Marine Park and Reserve, Kenya
• Patrick Andau, Director, Department of Wildlife, Sabah, Malaysia
• Lindsay Garbutt, Director, Friends of Nature, Belize
• Noah Idechong, Palau
• participant from Galapagos, Ecuador
• participant from the Philippines
• participant from Federated States of Micronesia
• participant from Indonesia
• participant from Papua New Guinea
• participant from Vietnam
• participant from Seychelles
• participant from Mozambique
• participant from South Africa
• Reed Merrill, Protected Areas Advisor, Natural Resources Management Project, Indonesia