Blue Natural Capital Financing Facility – advancing financially viable conservation projects
About IUCN.

Is the largest environmental network and is dedicated to biodiversity, climate change and sustainable development.

<table>
<thead>
<tr>
<th>Key numbers</th>
<th>Key facts</th>
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<tbody>
<tr>
<td><strong>211</strong></td>
<td>▪ IUCN established in 1948 and is world’s largest environmental network</td>
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<td>States and government agencies are Members of IUCN</td>
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<td><strong>160+</strong></td>
<td>▪ IUCN is a membership union, composed of government and civil society organisations</td>
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<td>Countries have IUCN members</td>
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<td><strong>1100+</strong></td>
<td>▪ IUCN is dedicated to achieve universal goals including biodiversity, climate change and sustainable development</td>
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<td>NGOs are part of the IUCN network</td>
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<td><strong>11,000+</strong></td>
<td>▪ IUCN is the only environmental organization with official United Nations Observer Status</td>
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<td>Experts assess state of world’s natural resources</td>
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<tr>
<td><strong>1100+</strong></td>
<td>▪ IUCN is strongly engaged in tying in the private finance market to conservation and is founding member of the Coalition for Private Investment in Conservation (CPIC). IUCN is implementing partner of EUR 8mn GEF grant to CPIC and is implementing agency of GCF</td>
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Tackling the biggest challenges in conservation.

Funding constraints are seen as one of the most pressing challenges in reaching global conservation targets. The bottleneck is not the lack of liquidity but the lack of investable conservation assets.

Conservation Finance Gap

<table>
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<tr>
<th>Total Need</th>
<th>Current Supply</th>
<th>Gap</th>
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<tbody>
<tr>
<td>USD 300 – 400bn</td>
<td>USD 52bn</td>
<td>USD 200 – 300bn</td>
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**Conclusion**

- Conservation projects across the world face many challenges
- Stable access to capital is biggest obstacle to long-term viability
- Capital supply is only fraction of actual conservation finance needs
- Current funding predominantly from public bodies and philanthropies
- Private sector crucial for reaching conservation targets
- Conservation projects mostly not meeting risk/return criteria of investors
- Innovative approaches to finance needed to attract private finance, linking conservation initiatives to profitability.

*Credit Suisse, IUCN, Gordon and Betty Moore Foundation, & The Rockefeller Foundation, 2016*
BNCFF is an innovative finance initiative that turns coastal conservation projects into investable assets, thereby detangling them from donations and making them attractive for private finance sources.

**Blue Natural Capital Approach**

- BNCF assists project partners in assessing, preparing and structuring of projects to strengthen *environmental, legal & financial* parameters
- Support includes *technical assistance & seed funding*
- Attractive risk/return profile achieved by bundling revenue sources from
  - Natural ecosystem services
  - Marine technology and data systems
  - Renewable energy and clean water generation
- Careful identification of positive *impacts* based on clearly defined *environmental & social* key performance indicators
- Meets investor demand for ESG integration in investment decisions and SDG impacts

**Conclusion**
Tracking project success.

The area of measuring and monitoring positive impacts (+impacts) - the wider impact of investment benefits – is less clear, yet key to the success of these projects. The BNC +Impacts Framework makes impact tracking possible.

- In BNC investments, the positive social and environmental outcomes and impacts of such investments are a key rationale for undertaking a project.
- The +Impacts Framework ensures project activities actively contribute to and can monitor, report and verify (MRV) positive environmental and social impacts across sectors.
- The +Impacts Framework identifies the most suitable indicators and methodologies for MRV’ing positive impacts, in alignment with best-practices both from the conservation as well as the financial community.
- The +Impacts Framework is of wider use for efforts which wish to assess, evaluate and monitor positive environmental and social impacts of BNC projects across the world.
- The +Impacts Framework is currently being finalized.
Join the effort!

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