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LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère du Développement durable
et des Infrastructures
Département de l'environnement

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.

Key numbers

211

States and government agencies are **Members** of IUCN

1100+

NGOs are part of the **IUCN network**

160+

Countries have IUCN members

11,000+

Experts assess state of world's natural resources

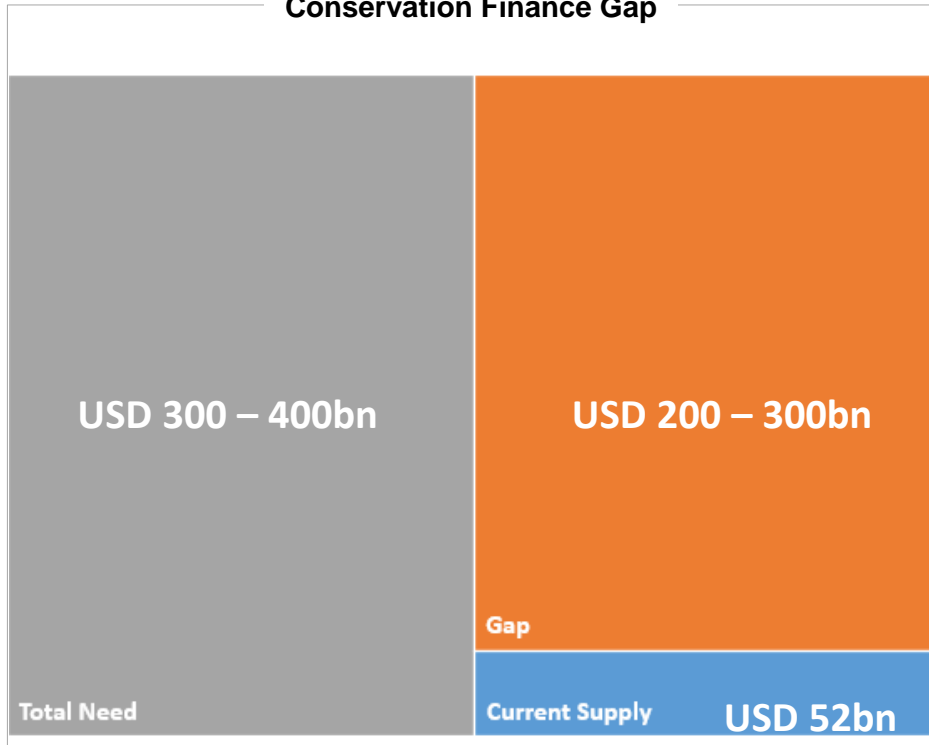
Key facts

- **IUCN** established in **1948** and is **world's largest environmental network**
- **IUCN** is a membership union, composed of government and civil society organisations
- **IUCN** is dedicated to achieve universal goals including **biodiversity, climate change** and **sustainable development**
- **IUCN** is the only environmental organization with official **United Nations Observer Status**
- **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

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



Credit Suisse, IUCN, Gordon and Betty Moore Foundation, & The Rockefeller Foundation, 2016

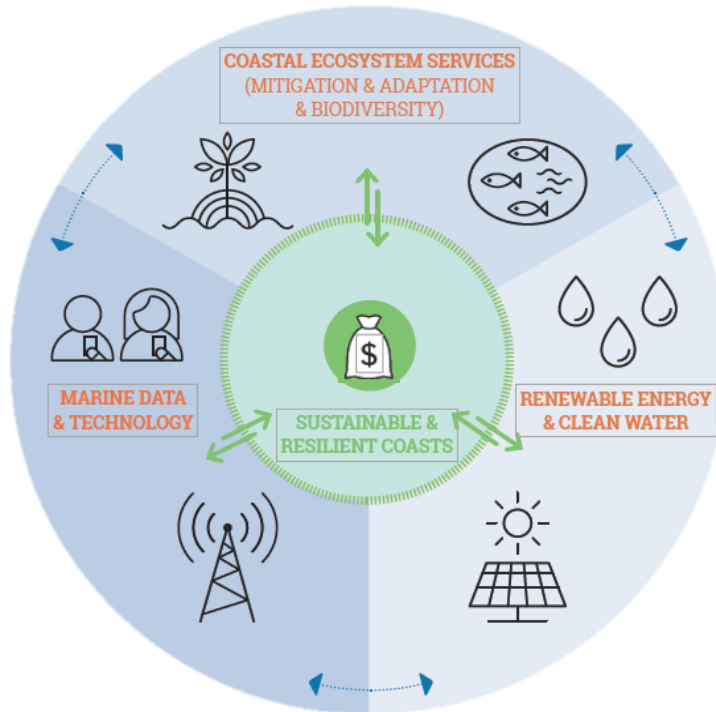
Conclusion

- 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.

The Blue Natural Capital Financing Facility.

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



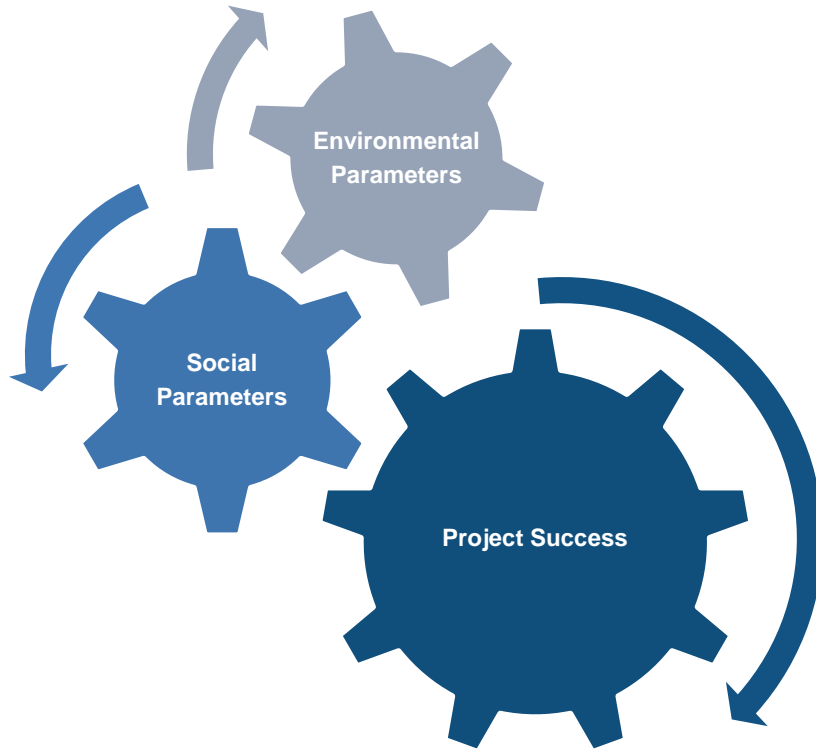
Conclusion

- **BNCFF 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

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.

BNC + Impacts Framework



Explanations

- 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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