

# Press release

27 feb 2018

## Blue Finance Brings Together Public & Private Sectors in the Dominican Republic to Sustainably Manage 8000 km<sup>2</sup> of Marine Habitat.

A Public Private Partnership (PPP) agreement was signed on February 23rd 2018, for co-management of the second largest Protected Area of the Dominican Republic. The co-management body, a non-profit company, is expected to hit the triple bottom line: social, environmental and economic via the creation of new job opportunities in the Blue Economy sector for local populations, the conservation of critical ecosystems and basic financial returns.



The company will receive major financing for its initial capital expenditures from international impact investors. In time, it is expected to be financially sustainable and generate its own incomes from user fees and innovative tourism models.

The Sanctuary "Arrecifes del Sureste" is almost 8000km<sup>2</sup>, covering just around 100 km coast and encompassing vibrant coral reef ecosystems, several major urban centers and 2 of the country's primary tourism centers (receiving >4M visitors annually).

The non-profit company is comprised of 2 local conservation NGOs, 2 local foundations of the major tourism holdings in the country and other associations. The company will be responsible for hiring and managing the staff to carry out the activities agreed to by the Government, within the co-management agreement for a period of 10 years. This will be carried out with no increase in public debt, as the body will purchase required equipment and pay personnel for the Sanctuary. The company itself will be guided by a multidisciplinary Advisory Council, of public and private citizens. An independent, internationally recognised institution will audit the performance of the consortium annually.

Implementation of all activities will be guided by the annual work plans, prepared by the co-management body and approved by government. These activities, with collaboration from existing institutions include: Improving the health of marine habitats, Monitoring, Zonation and Enforcement, Community engagement & Livelihood enhancement, Support to tourism activities, Maintenance, Management and Marketing.

Initial capital expenditures are expected to be provided by the Sustainable Ocean Fund, an impact investment fund managed by Althelia, dedicated to creating, accelerating, and executing sustainable fishery, aquaculture and coastal conservation projects globally, whilst applying best-in-class social and environmental governance.

Impact Investment in marine conservation (SDG14) is a new concept, with investors, investing in enterprises that can deliver conservation actions and improved livelihoods for local stakeholders, in addition to basic economic returns. The industry has been quickly growing during the last 5y and the volume of private capital committed to conservation is increasing annually (>35% p.a.).

In the Dominican Republic, Blue finance has been working closely with the Minister of Environment and Natural Resources of the Dominican Republic, Francisco Dominguez Brito who spearheaded the project. His strong support and that of his team has been a critical element in the success of this endeavour. Blue finance received sterling support from the FGPC (Fundacion Grupo Punta Cana). Several other local stakeholders (NGOs, tourism associations, foundations, fishery cooperatives etc) were also implicated in the process.

Blue finance will now assist in the implementation of the financial arrangements and establishment of a project management office within the co-management company, to ensure that the highest standards in MPA practice, tourism product development, community engagement and general management are met.



Map of the Marine Sanctuary "Arrecifes del Sureste"

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## About Blue finance

Blue finance's objective is to ensure sustainable management of marine habitats by developing new investment models and funding streams to address the gap in funding marine conservation.

The NGO provides a diversified portfolio of impact investments in Public-Private Partnership (PPP) for the management of Marine Protected Areas. Each PPP contributes to SDGs n°14, 1, 8 and 13 and offers basic financial returns to impact investors.

In addition to the Dominican Republic PPP, 4 other PPPs are in last-stage development in Caribbean countries and new PPPs are being explored in the wider Caribbean and SE Asia.

Blue finance offers an experienced team with extensive practice in implementing public-private partnerships and expertise in conservation finance, coastal zone management, MPA management, coral reef ecology and tourism business development.

Blue finance operates under the institutional and technical umbrella of United Nations Environment (UNEP). Other partners include Conservation Capital, Althelia-Mirova, Deloitte, Ropes&Gray lawyers and GRID-Arendal.

In the Caribbean, projects are being developed with the Regional Activity Centre for the Protocol on Specially Protected Areas and Wildlife for the wider Caribbean (SPA-W-RAC) of the Caribbean Environmental Programme (CEP). In South East Asia, projects are being developed with the Partnerships in Environmental Management for the Seas of East Asia (PEMSEA).

## Contacts :

[info@blue-finance.org](mailto:info@blue-finance.org)

[www.blue-finance.org](http://www.blue-finance.org)