Innovative Financing of Marine Conservation and Adaptation to Climate Change in Seychelles

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The sustainable financial management of MPAs is a long-standing challenge for many national environment and finance ministries, while global expansion of marine protections (to meet Aichi 2020, SDG 2030 and IUCN 2030 voluntary targets) without adequate investment is likely to lead to sub-optimal conservation outcomes. In the Seychelles, where the government is championing a Blue Economy and committed to protecting 30% (400,000km2) of its EEZ, an innovative approach to securing a sustainable flow of revenues is being implemented. With the support of The Nature Conservancy, by creating the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT), Seychelles has been able to leverage debt refinancing against public, philanthropic and impact capital. In addition, a sovereign Blue Bond is being designed with the support of the World Bank and the GEF to expand sustainable-use MPAs and to improve governance of priority fisheries, including the implementation of the Mahe plateau fishery management plan. The debt refinance and blue bond instruments together will create a sinking Blue Grants Fund that will annually (from 2017/18) disperse over US$750,000 to projects that support new MPAs and other initiatives such as improved fisheries, coral restoration, economic diversification, and enhance social resilience to climate change in coastal communities. In addition, the debt conversion will capitalise SeyCCATs endowment, which will mature after 20 years with an expected ending value of US$6.7 million in the 21st year, when it will commence funding. In this presentation, we will describe this innovative financing mechanism in Seychelles, and discuss lessons learned so as to advance the global conversation about how to finance marine protected areas, particularly in Small Island Developing States (SIDS) and in relation to meeting international biodiversity protection targets.