





GLOBAL FUND FOR CORAL REEFS

Programme Title: Miamba Yetu: Sustainable Reef Investments	Recipient Organisation(s): Convening: WCS, Co-recipients: UNCDF (Blue Bridge)
Programme Contact: Fahd Al-Guthmy, Programme Manager falguthmy@wcs.org Jean Mensa, Marine Director - Tanzania, jmensa@wcs.org Ray Victurine, WCS Director Business & Conservation, rvicturine@wcs.org	Programme Location: Transboundary area of Kenya and Tanzania - region from Malindi to Dar-es-Salaam, including Zanzibar and Pemba.
Programme Description: This early-stage programme will support the incubation and development of businesses that will contribute directly and indirectly to the conservation of coral reefs in the region. The programme will generate new business opportunities and develop a pipeline of projects that will attract private sector investment whilst delivering conservation benefits to reef ecosystems through sustained income streams for conservation or reducing negative impacts. The programme will work to leverage GFCR funds to generate additional investment in support of coral reef conservation.	Previous Grant Allocation Approved by GFCR Total: US\$3,135,394 - WCS: US\$1,320,000 - UNCDF (Blue Bridge): \$1,815,394 Additional Funding approval - WCS: US\$860,363 Total US\$3,995,757
	Proposed Start Date: <i>January 2022</i> Proposed End Date: <i>January 2025</i>
Key expected results: <ul style="list-style-type: none"> Completed scientific/feasibility studies to gain greater understanding of key hot spots and of the value of ecosystem services provided. Reduced pressure on coral reef ecosystems by improving the livelihoods of people living in and around coral reef systems in the region through investment in sustainable enterprises, while building climate resilience. Leveraging of GFCR grants to attract private sector capital and other funds to address growing threats to reefs from coastal development, unsustainable fishing and other key threats. Establishment of a "venture studio" in the region to incubate start-up projects that can later receive blended financing through the programme. Triage evaluation of the economic and coral reef benefits of the projects prior to investment. Successful early-stage investments to test and implement the approach. 	



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Signature of Recipient Organisation: Print: Organisation <u>Wildlife Conservation Society</u> Name <u>Luthando Dziba</u> Title <u>Regional Director: East Africa, Madagascar & West Indian Ocean</u> Signature  Date <u>16 July 2024</u>	Signature of Co-Recipient Organisation (if relevant): Print: Organisation _____ Name _____ Title _____ Signature _____ Date _____
Signature of Executive Board UN Partner: Print: Organisation <u>UNEP</u> Name <u>Sinikinesh Jimma</u> Title <u>Chief, Marine and Coastal Ecosystems</u> Signature  Date <u>7/17/2024</u>	

Budget by UNDG Categories

Total Programme Costs Budget Breakdown	Phase I Budget		Additional Request	Total Convening Agent	Total UNCDF	GRAND TOTAL
	Convening Agent	UNCDF	Convening Agent			
1. Staff and other personnel	\$855 125	\$121 800	\$367 373	\$1 222 499	\$121 800	\$1 344 299
2. Supplies, Commodities, Materials	\$16 910	\$0	\$1 069	\$17 979	\$0	\$17 979
3. Equipment, Vehicles, and Furniture (including Depreciation)	\$25 000	\$0	\$1 141	\$26 141	\$0	\$26 141
4. Contractual services	\$6 796	\$0	\$340 800	\$347 596	\$0	\$347 596
5. Travel	\$161 348	\$0	\$41 472	\$202 819	\$0	\$202 819
6. Transfers and Grants to Counterparts	\$0	\$1 574 830	\$0	\$0	\$1 574 830	\$1 574 830
7. General Operating and other Direct Costs	\$168 467	\$0	\$52 222	\$220 689	\$0	\$220 689
Total Direct Costs	\$1 233 645	\$1 696 630	\$804 077	\$2 037 722	\$1 696 630	\$3 734 352
8. Indirect Support Costs (Max. 7%)	\$86 355	\$118 764	\$56 285	\$142 641	\$118 764	\$261 405
TOTAL Budget	\$1 320 000	\$1 815 394	\$860 363	\$2 180 363	\$1 815 394	\$3 995 757



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**THE MIAMBA YETU PROGRAMME:
SUSTAINABLE REEF INVESTMENTS**



COSTED EXTENSION REQUEST

MIAMBA YETU PROGRAMME: SUSTAINABLE REEF INVESTMENTS

[MAY – DECEMBER 2024]

INTRODUCTION

WCS is in the process of revising the programme's original funding mechanism for deploying funds directly to project beneficiaries. The original funding mechanism involved Okavango Capital Partners (OCP) setting up an SPV with funds flowing from UNCDF Blue Bridge. The SPV was intended to be operational by the end of phase one. However, there was a delay in funds being disbursed. In March 2024, OCP received the funds whilst WCS was informed that Blue Bridge would no longer be able to finance OCP in a timely manner and that an alternative funding channel would be needed. WCS has since been working to identify an appropriate funding mechanism. This requires a collaborative effort with WCS global and legal departments to review various options. Once the best option is identified and presented with a detailed budget and workplan, WCS will return to the GFCR Executive Board for the full replenishment request.

As the financing mechanism is explored, the programme is proposing to continue ongoing activities in parallel through a costed extension period in order to ensure seamless progression of the programme. This period will serve to bridge the gap between phase one and phase two which will be presented to the board once the financing mechanism is finalized and agree upon by all parties involved. Activities to be carried out are detailed in the next section and summarized below:

- 1) WCS review of financing mechanism for Miamba Yetu;
- 2) Project Technical Assistance: Baseline Assessments for Sanivation, Business Review for Chumbe Island Coral Park, Feasibility studies for Kuruwitu Marine Concessions and Mombasa MPA virtual marine center;
- 3) Narrowing down the pipeline and undertaking reviews of proposals with expert panel and enhancing coordination between other WCS funded projects, implementing partners
- 4) Enabling the TECA venture launcher collaboration through OCP for phase one cohort;
- 5) Participation at key events: IMCC, Blue Economy Summit.
- 6) Complete guiding documents (Safeguards Strategy, Gender Action Plan, Governance);
- 7) Putting out an open call for proposals;
- 8) Finalizing TORS and processes in readiness for onboarding programme staff in phase two.



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ACTIVITIES TO BE UNDERTAKEN

Output 1.1: Completed scientific/feasibility studies to gain greater understanding of key hot spots and of the value of ecosystem services provided.

Activity 1.1.1: Ecological Surveys - Malindi-Watamu MPAs

- *Requested Budget (USD): \$49,270*

Baseline assessments for Sanivation: Building on the threats assessment, a site-based analysis of potential reefs exposed to local wastewater pollution in the Malindi-Watamu seascape has been completed and several sources of effluent into the ocean have been identified adjacent to the Malindi and Watamu MPAs are located. These will be used as impact monitoring sites. We have developed a protocol to establish baselines and track progress in reefs near the sewage outflow points. This protocol will be used during this extension to carry out baseline field surveys of reef bioindicators and water sampling to evaluate presence of sewage pollution in the Malindi and Watamu MPAs.

- *Deliverable(s): Baseline status report for the Sanivation project*

Activity 1.1.2: Conference presentation (IMCC Capetown)

- *Requested Budget (USD): \$13,617*

WCS will participate at the 7th International Marine Conservation Congress (IMCC7) which will be held from 13-18 October 2024, in Cape Town. The meeting is the Society for Conservation Biology Marine Program's main event. Presentations will be made to disseminate findings from the programme's knowledge base, solutions and amplify the blended finance approach.

- *Deliverable(s): Outcome report*

Output 1.2: Triage evaluation of the economic and coral reef benefits of the projects prior to investment [Eco-social team]

Activity 1.2.1 Impact Analysis

- *Requested Budget (USD): \$70,675*

[a] Miamba Yetu Eco-social team, additional scoping for deals, narrowing down the pipeline and undertaking reviews with expert panel and enhancing coordination between other WCS funded projects, implementing partners. Our aim is to review at least 4 deals and target to move forward with 2 additional projects by December 2024 from our lined-up pipeline of:

- Ecoworld plastics recycling social enterprise expansion in Kenya: an entity born out of the Watamu Marine Association to address marine ecosystems which are threatened by plastic pollution or associated biodiversity loss. It is a social enterprise that drives communities towards environmental stewardship, providing income opportunities through sustainable efforts to curb plastic pollution. In 2023, Miamba Yetu engaged with Ecoworld to explore linkages and subsequently reviewed a concept seeking US\$400k funding support to scale up plant and machinery in addition to operational needs. A full proposal is currently being developed by the Ecoworld for further review by the Miamba Yetu team.
- Fish Eagle Point Tanga – Ecotodge within the TBCA expansion plans: an ecotourism resort with a conservation model, similar to Chumbe Island's model. They are raising funds for expansion and conservation efforts in TBCA (Boma Peninsula) and currently offer 6 types of cottages on a 8.3-acre private land with 1.5km shoreline; 5-year renewable lease to protect



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about 300 acres of coastal forest buffer with Subutuni village. Employs 23 full-time community staff. They also co-manage coral reef site with government and community support, community, youth and child education on mangrove protection, and conservation.

- Kisite Mpunguti Island Campsite pilot in the TBCA-Kenya: WCS is exploring an ecotourism solution for the Kenya Wildlife Service to purchase camping equipment and a portable latrine that will be owned by the MPA but leased to community ecotourism associations to use on Mpunguti Island in the MPA. The MPA will get revenue from park fees and for camping fees while local community ecotourism associations will benefit from ecotourism fees for overnight excursions.

During this period, WCS will also collaborate with sister projects to identify synergies for joint implementation. These include:

- US\$25M USAID Heshimu Bahari project collaboration: The Government of Zanzibar has been leasing out several of its small islands for tourism developments. Some of these islands lie within priority sites and the small Island Investors have been engaged via an expression of interest to include marine conservation and co-management approaches in their business models. Meetings have been held small island investors to kick-start engagement on potential collaborations to implement conservation of key coral hotspots around the islands. There is potential for technical support and setup costs of approximately US\$100k per island. To complement this initiative, WCS is also exploring opportunities to set up a consortium of locally active marine conservation groups to support resorts in key areas to manage their marine resources.
- EUR 5.5M Blue Action Fund (BAF) Tanzania project in Tanga-Mkinga area of mainland Tanzania and Eastern Pemba Island through effective MPA management and financing opportunities that also benefit communities. For example, we may support establishing sea cucumber nurseries and eventually farms with Mwambao.

- *Deliverable(s): At least 2 technical progress reports.*

[b] Complete programme guiding documents:

- Safeguards Strategy: The programme has drafted its first iteration of a social and environmental safeguard strategy that highlights key areas for ensuring communities are protected. The strategy will undergo additional reviews and as solutions are prepared for implementation expected during this period. Target completion date: August 2024.
- Gender Action Plan: In early 2024, the programme produced its first early draft of a comprehensive gender action plan (GAP) that details the gender-based indicators and associated targets and actions towards fulfilling gender equity and inclusion. The plan also adopts the 2x gender challenge that is part of the GFCR fund indicators to measure achievement of projects funded. The GAP will undergo additional reviews and approval during this period. Target completion date: August 2024.
- Project Steering Committee TORs: A Project Steering Committee (PSC) for Miamba Yetu is being formalized with WCS Regional Director (East Africa, Madagascar & Western Indian Ocean) as the chair. An updated governance and management structure will be shared as part of the PSC TORs during this period. TORs completion date: July 2024 with meeting held to adopt it by August.

- *Deliverable(s): Approved safeguards strategy, gender action plan and PSC TORs.*

[c] Finalizing TORS and processes in readiness for onboarding programme staff:



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The programme had identified capacity gaps that it will address in phase two. Two programme officers will be onboarded - one in each country to enhance programme delivery and management. A community engagement and a field support staff will also be onboarded to support the programme. The TORs for the recruits will be completed, requisitions processed in readiness for the call once phase two of Miamba Yetu is approved.

- *Deliverable(s): Approved TORs for programme staff*

[d] Open call for proposals:

An open call for proposals will be developed and advertised by Q3 2024 to attract proposals that can be funded by Miamba Yetu. Priority will be given to relevant deals in the TBCA and women-led proposals. All applications received will undergo an initial screening to identify those meeting requirements followed by technical review in Q3 2024.

- *Deliverable(s): RFP, updated pipeline of new projects*

Activity 1.2.2. Projects technical needs (Kuruwitu feasibility, community engagement & Mombasa MPA)

- *Requested Budget (USD): \$121,051*

[a] Feasibility study for Kuruwitu marine concessions and stakeholder engagement:

Kuruwitu has the potential to be a model for the rest of the TBCA for community-centered concessions models that support marine management and conservation. The Kuruwitu marine concessions feasibility study on the legal and regulatory environment for community concessions will help inform coastal communities through their Beach Management Unit (BMU) on the potential to generate sustainable revenues from leasing ocean space as custodians of their co-managed fisheries resources. The assessment of the fisheries act, policies, regulations, and guidelines will be a game changer for how communities can be empowered to conserve and benefit from sustainable financing in the tourism sector.

We will first undergo a social safeguarding process, working with an independent consultant (US\$10k) to hold a series of focal groups. These groups range from the fishers, fish dealers, female BMU members, associations, hotel/tour operators, residents and NGOs. Once this is complete, we will use a US\$40k TA to identify the appropriate legal pathways for communities to provide concessions in the marine space they manage and identify potential investors.

- *Deliverable(s): Focus group report and service agreement with Oceans Alive*

[b] Feasibility study for Mombasa virtual marine center: WCS will seek a qualified consultant to investigate the viability of establishing and operating a marine visitor center business in the Mombasa MPA that offers a virtual reality marine experience and other thematic marine exhibits that combine education, awareness and conservation with entertainment. This will benefit the MPA from leasing income, participation and revenue sharing opportunities with the investor. This \$30k undertaking will be explored in partnership with the Kenya Wildlife Service and the Wildlife Research & Training Institute and will include an in-depth market analysis and business model.

- *Deliverable(s): TORs for feasibility study and report.*



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Output 3.1: Develop facilities for the implementation of sustainable financing and ecologically viable business ventures

Activity 3.1.1. Development of Financing Mechanism

- *Requested Budget (USD): WCS \$70,418 & Outside Counsel: \$200,000*

WCS review of financing mechanism for Miamba Yetu: WCS will use this bridging period to assess the feasibility of receiving and administering investment funding for beneficiary projects from GFCR. The WCS legal team will be evaluating a number of options for setting up an investment structure and coordinating that review with internal and external stakeholders. It will require significant support from outside counsel for regulatory compliance and other pertinent issues in the relevant jurisdictions as well as setting up the legal entity and pertinent agreements. We will aim to front-load this work so that we can be ready to deploy any investment dollars from GFCR at the full replenishment phase, subject to management approval of the final structure and strategy. The result of this assessment will be shared as soon as it is ready.

- *Deliverable(s): Approved financing mechanism structure.*

Output 3.2: Leveraging of GFCR grants to attract private sector capital and other funds to address growing threats to reefs from coastal development, unsustainable fishing and other key threats.

Activity 3.2.1 Identify and Present at least 2 deals that have passed the programme review process and recommended to GFCR for funding

- *Requested Budget (USD): OCP \$123,298, WCS \$69,075*

[a] Miamba Yetu Finance team (WCS & OCP) will narrow down existing pipeline and undertaking reviews with the aim of reviewing at least 4 deals and target to move forward with 2 additional projects by December 2024 from our lined-up pipeline of:

- Ecoworld plastics recycling social enterprise expansion in Kenya
- Fish Eagle Point Tanga – Ecolodge within the TBCA expansion plans
- USAID Heshimu Bahari project Small Island Investors in Zanzibar
- Kisite Mpunguti Island Campsite pilot in the TBCA-Kenya

- *Deliverable(s): At least 1 report outlining results of screening and assessments.*

[b] OCP will support additional pipeline building/development through meetings and collaborations with key decision makers in industry. Building pipeline requires cultivating relations with professional and private companies and leveraging industry experts and networking events. This activity is expected to involve every team member and we have estimated 20 days of work to the end of the year. Further, OCP will work towards co-investment collaborations to provide capital and co-financing to the companies the programme intends to invest in. This will involve talking to potential investors, presenting investments opportunities and expected returns, exits and expected impact benefits.

- *Deliverable(s): Report outlining additional pipeline and co-investment sources*



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[c] OCP Business Review for Chumbe Island Coral Park: A business TA of US\$50k had been recommended to explore how to further enhance revenue generation of the eco-lodge business whilst protecting the conservation model to ensure long-term security for coral reef conservation and biodiversity conservation. We will complete the business assessment started by OCP and support Chumbe develop a proposal to address the needs identified from OCP's recommendations.

- *Deliverable(s): CHICOP business assessment report by OCP*

Activity 3.2.2: Programme amplification at key Event

- *Requested Budget (USD): \$5,118*

WCS will participate at the Blue Economy Innovation Summit in Mombasa between the 2nd and 4th October 2024 and is convened by Sote hub. The forum promotes the growth of the blue economy by focusing on sectors supporting women and youth— such as renewable energy, eco-tourism, circular economy, and waste management. Our aim is to scope for potential deals and co-financing opportunities.

- *Deliverable(s): Back-to-office report*

Output 3.3: Successful early-stage investments to test and implement the approach

Activity 3.3.1: Project visits

- *Requested Budget (USD): \$14,332*

The programme will visit existing and prospective pipeline project partners for engagement including moving deals forward (onboarding, concept, proposal stages), address bottlenecks and identify synergies with partners for joint implementation including co-funding.

- *Deliverable(s): 2 Back-to-office report*