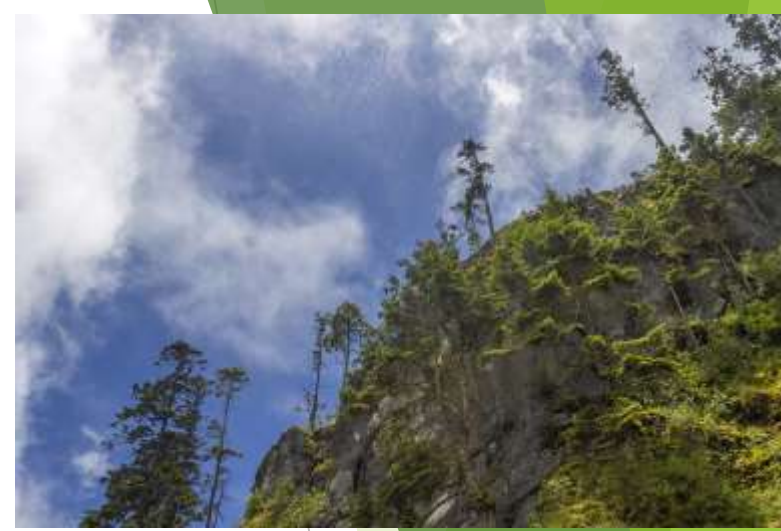




# Looking into the Future: Creating Conservation Businesses!

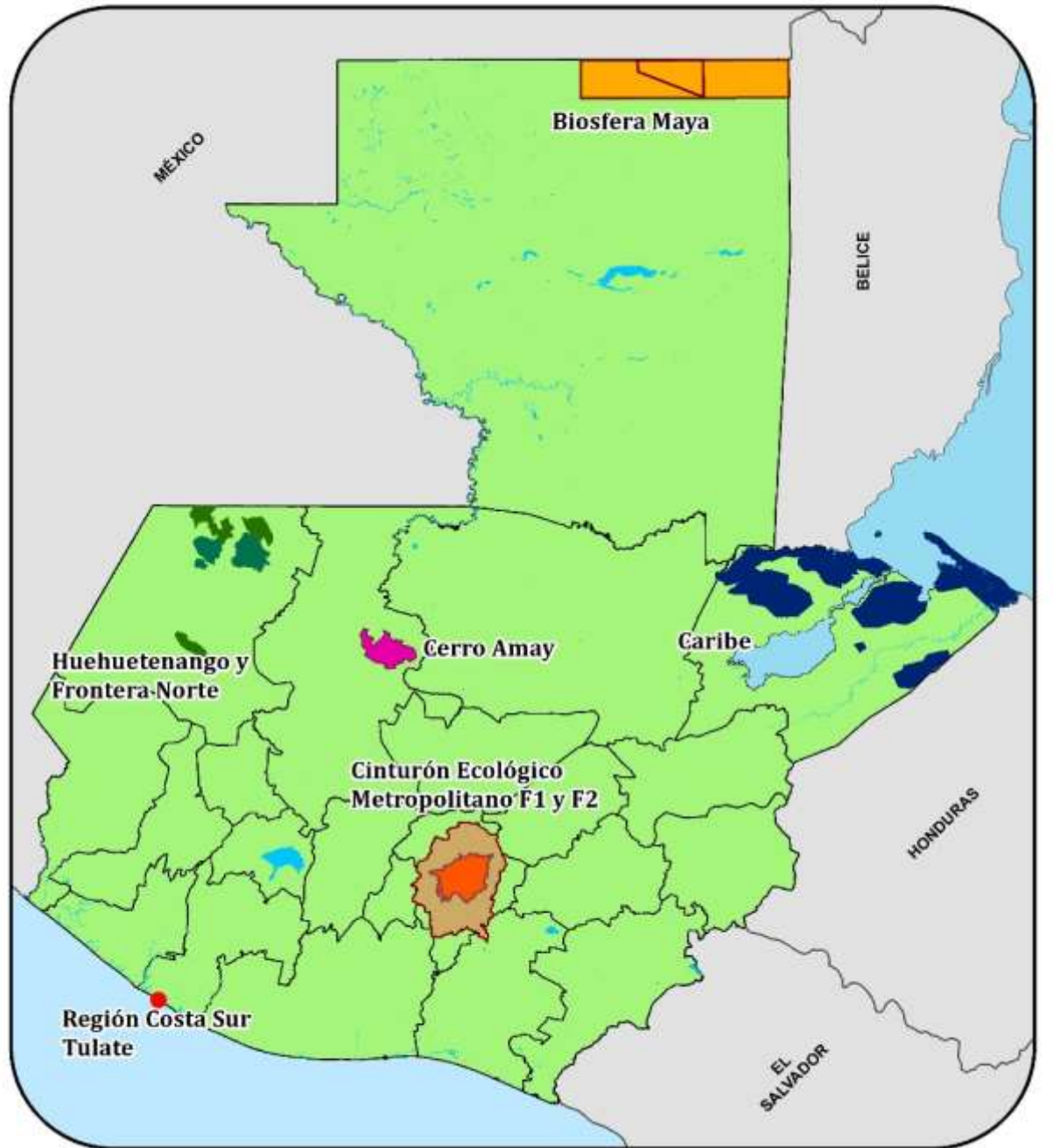


Ingrid Arias Salas  
October 7th, 2019



# Where we Work and Our Model

- Protected Areas
- Private, Community, Municipal and Institutional Reserves
- Governance
- Payment for Environmental Services
- Biodiversity monitoring
- Land Restoration
- Women´s empowerment
- Agro systems compatible with biodiversity protection
- Value Chains





As we look into the Future, we need to ask ourselves two questions:

1. How can we make our efforts Sustainable into the future? How can we create the mechanisms for sustainable revenue generation needed for the long term management costs of our Reserves?
2. Faced with a growing environmental crisis (Climate Change, Sixth Extinction, Insect Armageddon, Plastic Pollution, etc), How can we go FASTER AND BIGGER? How can we INCREASE CONSERVATION EFFORTS ACROSS LANDSCAPES?

**We need sustainable and increasing amounts of Funding for our Conservation work!**



# Why did FUNDAECO initiate this change?

- ▶ The Great Recession (2008-2010) reduced our funding significantly and reminded us of the high risks of total dependence on Donations
- ▶ International Cooperation and Donors were rapidly pulling out of Guatemala
- ▶ Competition for scarce resources is increasing
- ▶ We “out-grew” existing Donors for Conservation in Guatemala
- ▶ We have increasing “recurrent costs”; Each new Reserve needs to be maintained “Into Perpetuity”
- ▶ Donors are increasingly demanding, and un-restricted funding and overheads are increasingly hard to obtain
- ▶ Governments face huge fiscal deficit challenges
- ▶ We are facing bigger Conservation Challenges...We need to GO BIGGER AND FASTER!

# FUNDAECO BUSINESS MODEL

1. Project Proposal design and presentation to potential donors, articulated with Institutional Programs and with Business Initiatives.
2. Individual and Corporate donations.
3. Interests and benefits generated from the Institutional Trust Fund.
4. Forestry Incentives from INAB - Forest protection and restoration.
5. Ecotourism and Visitation to the Network of Nature Reserves.
6. Agroforestry production and marketing - Biocenters and Business Agreements with farmers: cardamom, cacao, cinnamon, black pepper, xate, rubber.
7. Selling of Carbon Credits from the REDD+ Project for Caribbean Guatemala.
8. Selling lands not related to Institutional Mission, for land access for communities.
9. Visitation and services provided by the Network of Metropolitan Parks.
10. Selling of artisanal handicrafts and promotional products in all the “Nature Stores” in our reserves and offices.
11. Renting equipment and infrastructure.



# Ecotourism



UTILIDAD NETA ACUMULADA PARA LOS PROXIMOS 10 AÑOS: US\$1,981,789 (14,665,238 Q.)



# Agroforestry Systems



UTILIDAD NETA ACUMULADA PARA LOS PROXIMOS 10 AÑOS: US\$2,284,376 (16,904,382 Q.)



# REDD+

We have developed, validated and verified a REDD+ Project for Caribbean Guatemala, with a VCS-CCB Gold level of certification

([http://www.vcsprojectdatabase.org/#/project\\_details/1622](http://www.vcsprojectdatabase.org/#/project_details/1622))

## Delta's carbon offsets to benefit Conservation Coast project in Guatemala

Every offset Delta purchases today will benefit the **Conservation Coast** offset project, which provides environmental protection from deforestation and sustainable livelihood opportunities for communities in Guatemala. These offsets will help conserve over 400 bird species and 54,000 hectares of threatened rainforests situated along the Caribbean coastline of Guatemala.

The Conservation Coast project also supports sustainable livelihoods within local communities by teaching things like economically viable and environmentally sustainable agricultural practices that work with the environment rather than against it. To date, over 700 jobs are being supported by the project, 30 percent of which are held by women.





# The Sale of VCU's from our REDD+ Project should provide a sustainable source of funding for the protection of our Nature Reserves

- ▶ Over the next five years, we will seek to establish a system for the sale of Carbon Credits to ensure sustainable funding for our Protected Areas in Caribbean Guatemala
- ▶ We expect to sell Carbon Credits to:
  - Our Institutional Donors
  - Small and medium size Guatemalan companies
  - Local Cement Company
  - Local Coal and bunker Utilities
  - To private individuals, through retail web sites
  - Large International Companies
  - Bilateral and Multilateral Carbon Programs



L'ORÉAL

Marketing!

La **COSTA** de la  
**CONSERVACION**®

Pimienta   
de La **COSTA** de la  
**CONSERVACION**®

the  
**CONSERVATION**  
COAST

**Cardamomo**  
de La **COSTA** de la  
**CONSERVACION**®

**Rambután**  
de La **COSTA** de la  
**CONSERVACION**®

  
*Ensenada  
Verde*  
*the hidden treasure*



# Some Organizational changes that we had to undertake...

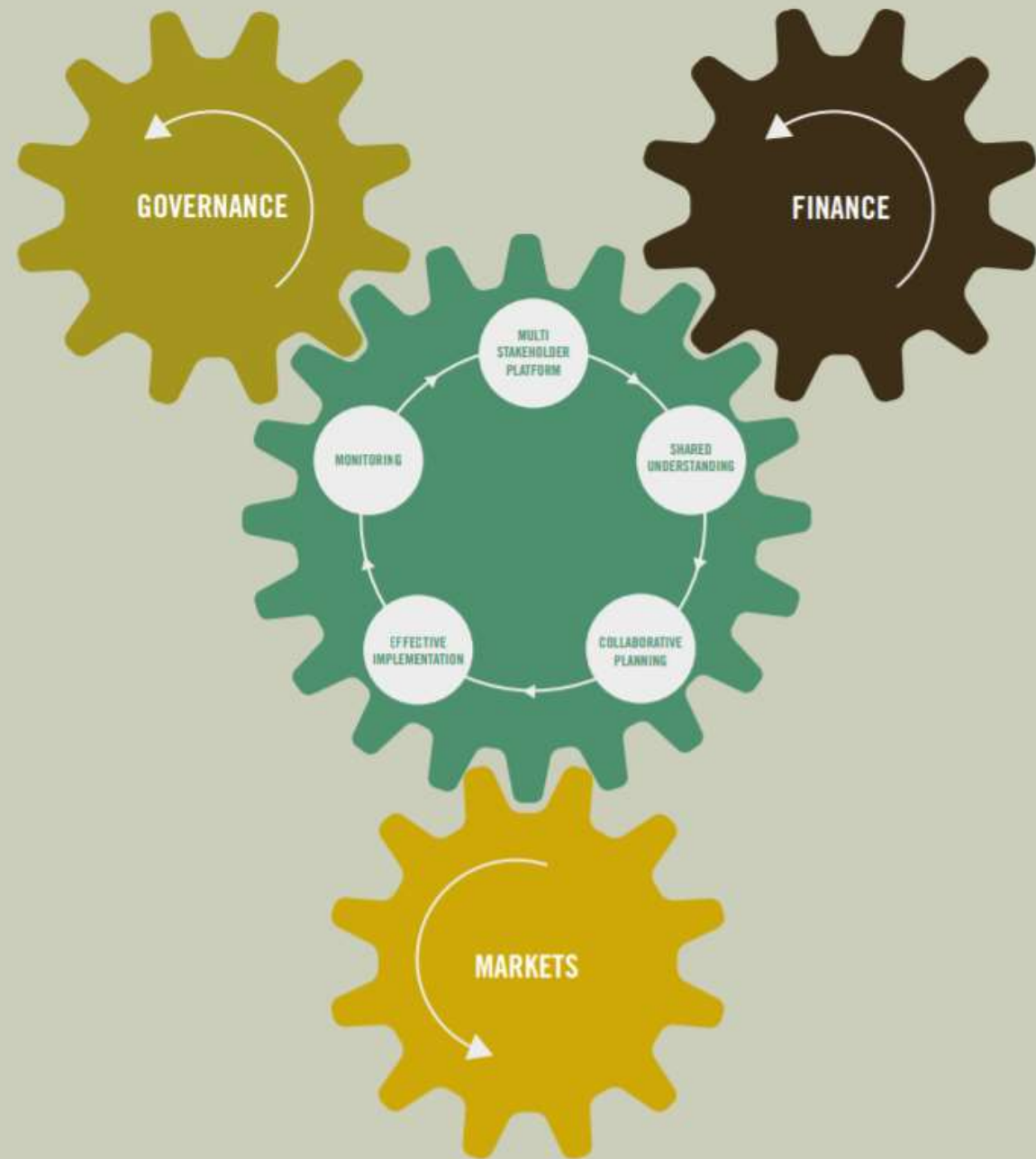
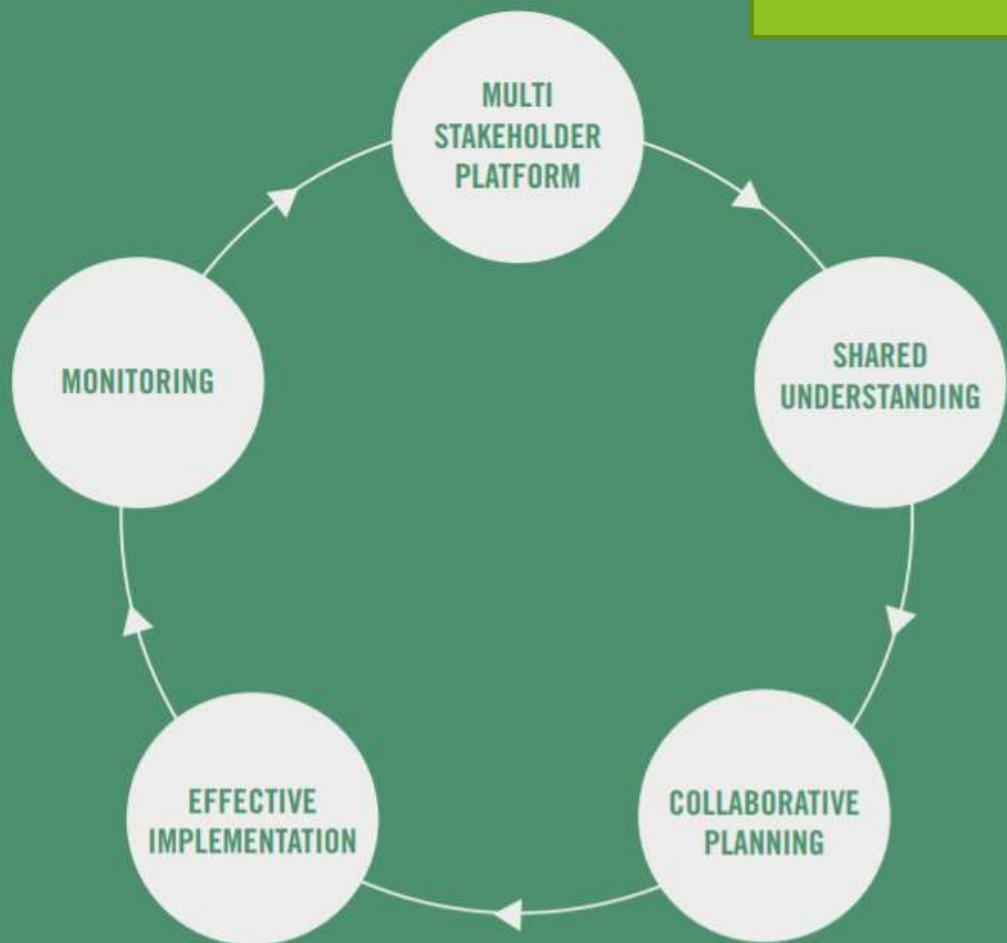
- ▶ We aligned our Board of Directors and General Assembly with the New Vision
- ▶ We changed our Accounting Systems (Expenses AND Investments)
- ▶ We have been “hammering” the New Vision to employees for the past 5 years (...) and asking ALL PROJECT COORDINATORS to identify and develop income-generating activities
- ▶ We hired a “Commercial Director” to help us move towards a “business mentality” - and gave him full control of Decisions in Biocenters and Ecotourism Sites
- ▶ We created a small (2 persons) “Sales Team”
- ▶ We are developing Business Plans for all income-generating endeavors
- ▶ We developed a “Business Model” for the whole Institution: 15 years projection; All costs; All revenues; Financial Analysis; Deficits and Surpluses; Investment costs; Revenue projections; VAN; TIR; etc.
- ▶ We will create “Business Units” within the Accounting System, in order to manage and monitor them as autonomous businesses
- ▶ We will improve our “Risk Management” Capabilities!

# Food for Thought

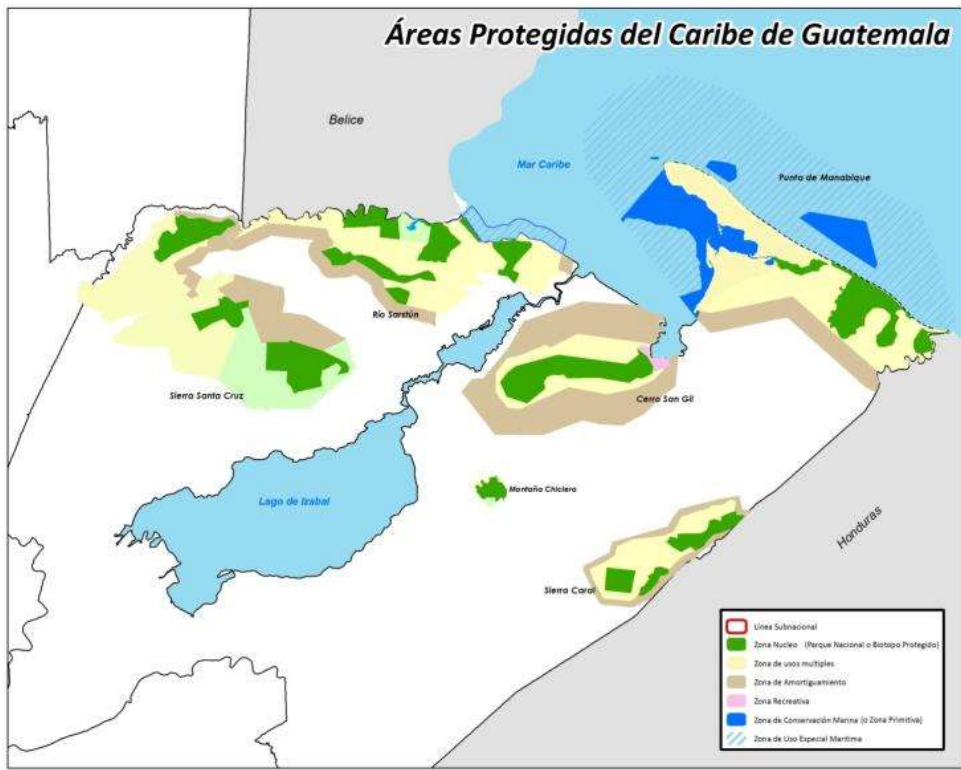
- ▶ Many small revenue streams are easier to reach and provide more sustainability and autonomy
- ▶ The transition towards an “income generation mentality” is hard, and requires a “cultural shift” in our institutions
- ▶ It takes money to make money...You have to raise funds (Loans, Impact Investment) to invest in income-generating activities
- ▶ Strong partnerships with Private companies are vital to successfully link to specialized “supply chains” and markets
- ▶ We are the owners of the “Conservation Story”: This has real marketing value for companies



# Sustainable Landscapes need Biodiversity Friendly Productive Landscapes

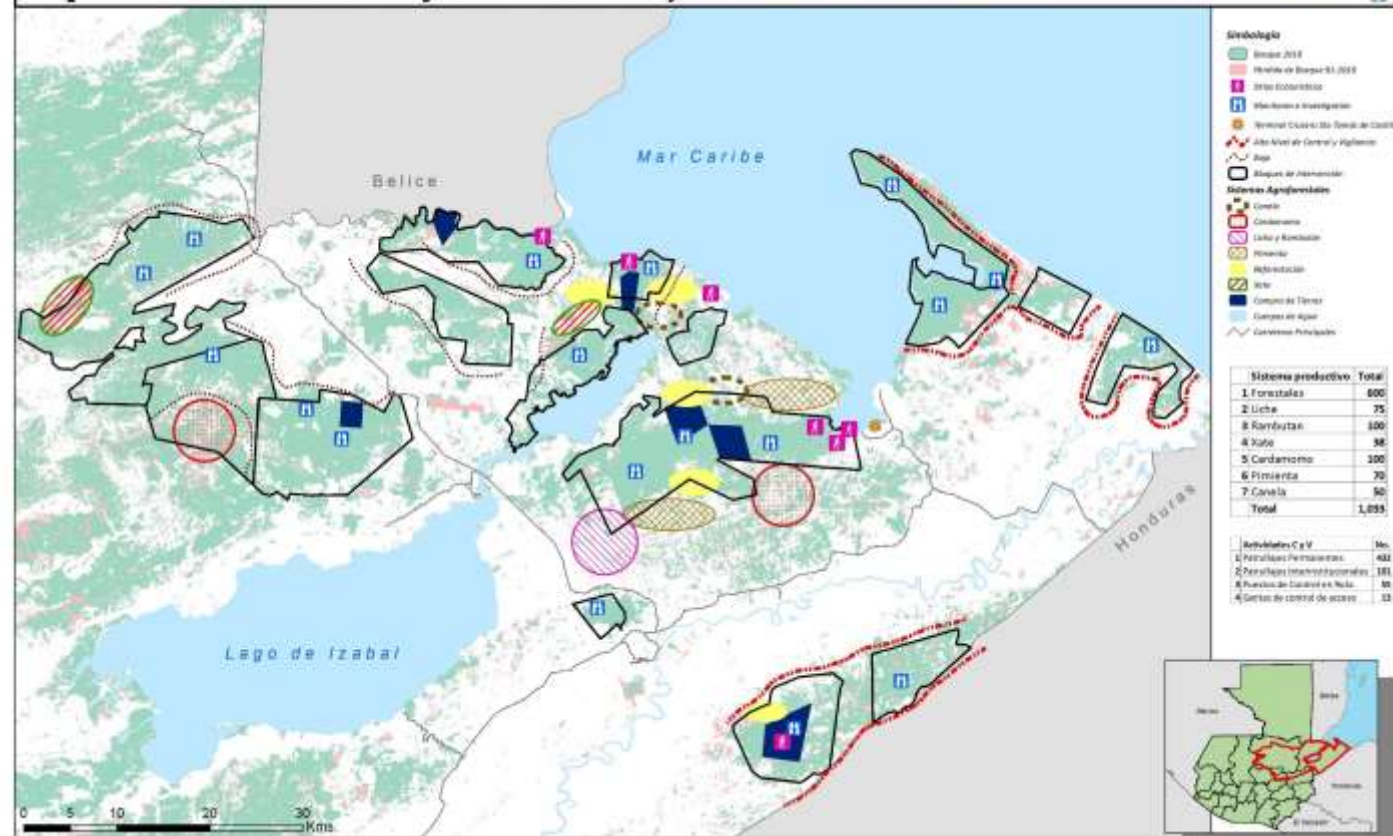


## Áreas Protegidas del Caribe de Guatemala



Towards Sustainable,  
Income Generating  
Landscapes!!

## Mapa de Intervención del Proyecto : " REDD Project in the Caribbean Guatemala"





# GREEN ECONOMY AND BLUE ECONOMY IMPACT INVESTMENTS?

We must seek to generate cash flows that will be reinvested in Conservation!

- ▶ Agroforestry Plantations and processing facilities?
- ▶ Sustainable Forest Management?
- ▶ Public-Private Water Management Ventures?
- ▶ Conservation-minded Real Estate Ventures?
- ▶ Public-Private Waste Management Ventures?
- ▶ Time-Shares/Membership based Conservation Developments?
- ▶ Clean Energy Technology?
- ▶ Public-Private Environmental Port Management Ventures?
- ▶ Public-Private Diving Concessions?
- ▶ Certified Fisheries Supply Chains and Fish Markets?
- ▶ Public-Private plastic waste collection, processing and re-use?

# INNOVATIVE INVESTMENT MODELS

Livelihoods funds are supported by private companies who work together to improve the livelihoods of rural communities while making their activities more sustainable

WHO WE ARE







# SENEGAL: the largest mangrove restoration programme in the world

## Accomplishments In Numbers

**79**

Million trees planted

**7,920**

Hectares restored

**500,000**

Tonnes of carbon offsets expected

---

Our investors

Private companies working together  
to deliver impactful solutions







MUSA, el museo submarino de México -...  
[mas-mexico.com.mx](http://mas-mexico.com.mx)



Los seis museos submarinos más fantá...  
[magnet.xataka.com](http://magnet.xataka.com)



MUSA  
[musamexico.org](http://musamexico.org)



Hoy viajamos al Museo Submarino de ...  
[vacacionaviajes.com](http://vacacionaviajes.com)

## Museos Submarinos en la Península de Yucatán





# INVESTING FOR **SUSTAINABLE GLOBAL FISHERIES**

With support from:  
Bloomberg Philanthropies'  
Vibrant Oceans Initiative  
The Rockefeller Foundation





# THE MANGUE IMPACT STRATEGY

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## IMPACT INVESTMENT THESIS

The Mangué Strategy's impact thesis is premised on the opportunity to bundle investments into robust fishery management improvements with investments in crab processing and distribution to create the economic incentives necessary to finance ongoing fishery management improvements and reward fishers for complying with them. As such, the Mangué Strategy proposes three key steps:

**Step 1:** Engage with fisheries authorities and communities to secure specific fishery management policy reforms.

**Step 2:** Invest an initial \$3.5 million into the design and implementation of fishery management improvements and the capitalization of Fishing Community Trusts in each of the ten RESEX zones.

**Step 3:** Invest \$11.5 million into a new Crab Export Business (CEB), funding the construction of 10 buying stations for sourcing raw materials, a state-of-the-art processing facility, and development of new marketing and sales channels for Brazilian mangrove crab. (See "The Mangué Strategy Commercial Investment Thesis" section below for a full description of CEB's strategy and value proposition.)

# Resources: Coalition for Private Investment in Conservation





# ACCELERATOR SELECTION TOOL

## Resources

[Related Reports](#)[Careers](#)[Accelerator  
Selection Tool](#)

### **ACCELERATOR SELECTION TOOL**

A collaboration between Conveners.org, Sphaera, ImpactSpace, and other network partners, the Accelerator Selection Tool maps the global impact accelerator landscape. The first aggregator of its kind, the tool helps social entrepreneurs easily find accelerator programs that best fit the need of their venture, while providing valuable social enterprise and market trend data to impact accelerators and investors. Use the below filters to search for impact accelerator programs around the globe. If you are an impact accelerator, incubator, fellowship program, or business plan competition that would like to add your program to the Accelerator Selection Tool, please [click here](#) to create your profile in ImpactSpace's database, which will autopopulate in this Accelerator Selection Tool.

# Blue Economy Investment Funds! The New Wave!



PROBLUE

Supporting integrated and sustainable economic development in healthy oceans



# Blue Economy Investment Funds! The New Wave!



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**BLUE ACTION FUND**  
Safeguarding Marine Biodiversity







**althelia**  
funds

**mirova**  
Responsible Investing

An affiliate of:

**NATIXIS**  
INVESTMENT MANAGERS



# SUSTAINABLE OCEAN FUND

[oceans@althelia.com](mailto:oceans@althelia.com)



# Sustainable Ocean Fund

We invest in **scalable businesses** across the **sustainable seafood**, **circular economy** and **conservation** sectors. Our aim is to deliver strong financial returns and measurable environmental and social impacts that contribute to long-term ocean health.



Sustainable  
Seafood



Circular  
Economy



Ocean  
Conservation

# Highlights

- First close in July 2018 with \$52m of commitments with a target final close of \$100m+
- **Create investor value and social impact by providing growth capital to companies that use the ocean sustainably.**
- **Focus on three areas critical to ocean health: sustainable seafood, ocean conservation and the circular economy.**
- Specialised investment team with significant experience in the natural capital space.
- All investments to uphold leading sustainability and ESG standards and best-practice certifications.
- Strategic partnerships with Conservation International and Environmental Defense Fund.
- USAID DCA Guarantee providing a 50% shared loss facility on invested capital.

**US\$ 2-10m**

Ticket Size

**Debt & Equity**

Transactions

**5-7 Year Terms**

grow and exit

**15-20**

Investments

**Latin America &  
Caribbean**

Allocation of 40%+ to the region

**Asia Pacific &  
Africa**





**Sustainable Seafood** Capital and technical resources for best practice aquaculture and wild-caught seafood businesses that can be certified sustainable and access high-value markets globally. Investments are made into seafood production and in the supply chain to increase efficiency and sustainability, from input to point of sale.



**Circular Economy** Investment into key coastal infrastructure and business projects to unlock the value from waste and pollution and upcycle products so that they don't damage the ocean. The fund is particularly focused on plastics and wastewater management.



**Ocean Conservation** Investment into coastal protection & management to improve biodiversity and resilience in coastal communities, creating business opportunities through tourism, payments for ecosystem services and Blue-Economy infrastructure.

# Investment Focus



## Investment Criteria

- ▶ **High growth companies with a focus on sustainable seafood, waste management or marine conservation with investable business plan**
- ▶ **Excellent management team and stakeholders with “skin in the game” and willingness to embrace sustainability**
- ▶ **Focus on Startup as well as established business opportunities**
- ▶ **A high value product with a real, demonstrated and resilient market**
- ▶ **Clear enabling conditions in place to deliver and scale**
- ▶ **The ability to repay investment over time through free cash flows**
- ▶ **Government & State support through concessions, quotas or co management agreements.**

## ESG Commitments

- Invest in businesses that are in line with the Fund’s core thesis of ocean sustainability and resource stewardship
- Minimise adverse impacts and enhance positive effects on the environment and all stakeholders
- Encourage businesses to make efficient use of natural resources and to protect the environment
- Promote Best Practise & certification
- Recognise and promote the social development& livelihoods
- Report the potential for positive impacts and opportunities from business activities.
- <sup>30</sup> Long term sustainability of businesses after Fund’s exit



# SOF Partners



CONSERVATION  
INTERNATIONAL



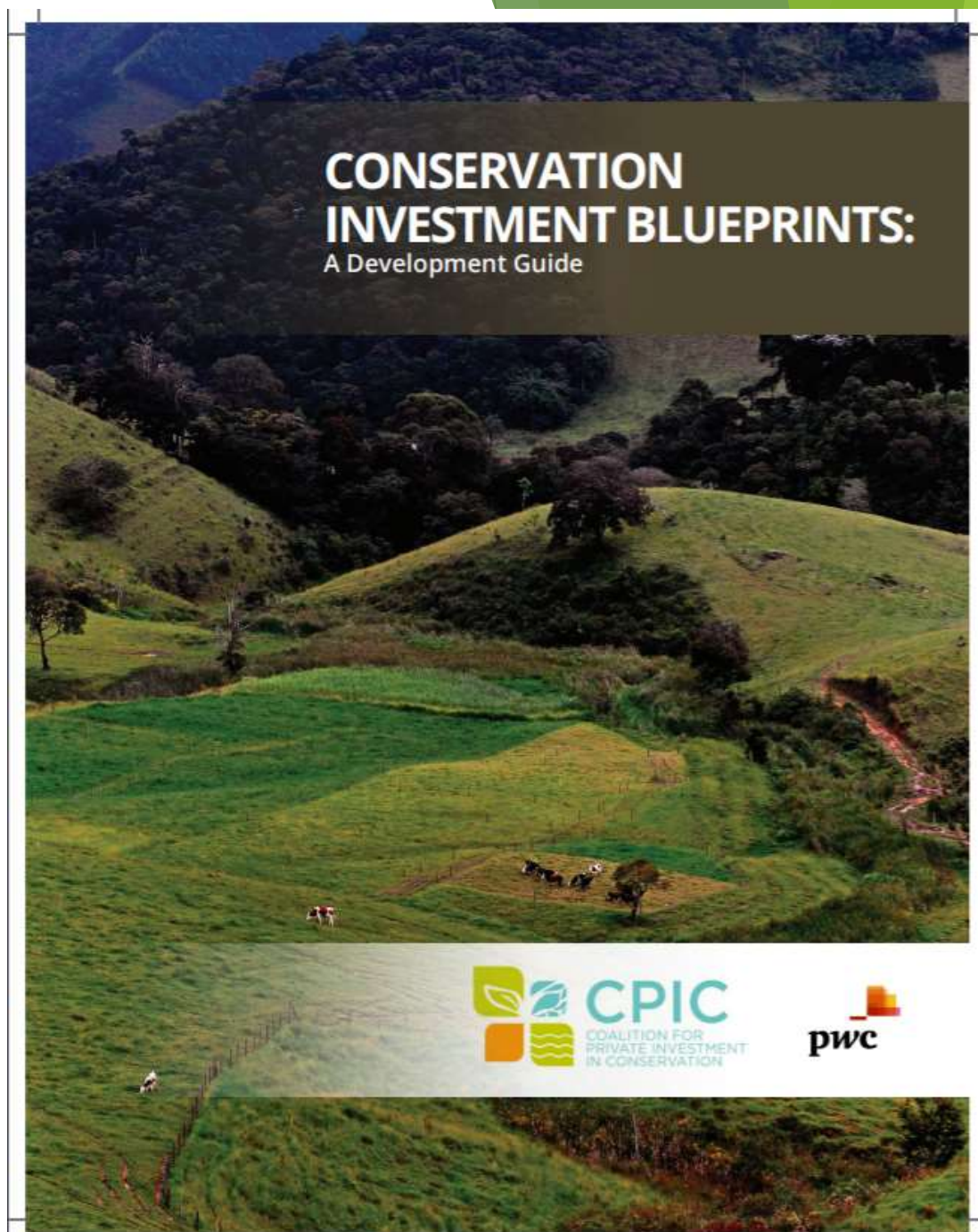
# Useful Resources...

- ▶ <https://www.greenbiz.com/>
- ▶ <https://www.globallandscapesforum.org/>
- ▶ <http://cpicfinance.com/>; <http://cpicfinance.com/resources/>



# Conservation Investment Blueprints

- ▶ [http://cpicfinance.com/wp-content/uploads/2018/01/CPIC\\_Blueprint\\_Development\\_Guide\\_2018.pdf](http://cpicfinance.com/wp-content/uploads/2018/01/CPIC_Blueprint_Development_Guide_2018.pdf)





**!Thank You!**