



Funding Mediterranean Monk Seal Conservation

Quick scan of possibilities and challenges

Bart Romijn
Warner Strategy and Fundraising

Commissioned by
IFAW (International Fund for Animal Welfare)

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IFAW (International Fund for Animal Welfare)
European Union office
Rue Boduognat 13
B-1000 Brussels
Belgium
Phone: +32 2 230 9717
Fax: +32 2 231 0402
info-eu@ifaw.org
www.ifaw.org

Warner Strategy and Fundraising
Veerdijk 42 R
1531 MS Wormerveer
The Netherlands
Phone: + 31 75 640 55 77
Fax +31 75 622 01 66
info@wsfr.nl
www.wsfr.nl

Contents

Summary.....	4
Introduction.....	5
Coins for monk seals.....	5
Purpose of this paper.....	5
Monk seal conservation funding needs	6
Conservation priorities	6
Funding estimates	6
Funding sources and fundraising mechanisms.....	7
Aim.....	7
1 Governmental funding sources	7
2 Multilateral institutions	10
3 Foundations, Funds and NGO's	13
4 Private Sector	15
5 Individuals	16
The way forward.....	17
Strategy	17
Monk Seal Conservation Trust Fund	18
Suggested steps	21
Some key information sources on conservation funding.....	22

Summary

The purpose of this paper is to provide input for the strategic discussion about funding conservation of the Mediterranean monk seal. Total costs for monk seal conservation priorities in the Mediterranean area only are roughly estimated at €5 – 7 million a year. No comprehensive overview is available of existing budgets or investments for monk seal conservation. However, all evidence shows that current funding is insufficient and fragmented and that a major, internationally concerted action, is needed to secure future funding.

The paper provides a brief overview of current grants and possible funding opportunities for the conservation of the Mediterranean Monk Seal. It distinguishes the five major categories;

1. Governments and their agencies
2. Multilateral institutions
3. Foundations
4. Private sector
5. Individuals

A further exploration is needed on sources, and, more importantly, on existing funding relations and commitments. But, stepping up fundraising efforts is not the only issue monk seal conservation is faced with. There are two more key challenges:

- Cooperation on fundraising. This means to avoid duplication and to foster cooperation and optimal synergy between the various stakeholders, governmental agencies, Convention Secretariats and Working Groups, NGO's and others.
- Management of funds raised. This covers the whole range of accountable, efficient, profitable and effective fund management: fundraising, management of available funds and disbursement.

The paper concludes with recommendations for a fully fledged funding strategy and discusses the establishment of a Mediterranean Monk Seal Conservation Trust Fund.

Introduction

Coins for monk seals

In the old days, fishermen and seafarers considered the Mediterranean monk seal as a symbol of hope and prosperity. The seal even appeared as an image on old coins. But times have changed. Nowadays, the Mediterranean Monk Seal is critically endangered. In Europe it is even the most endangered marine mammal species. Conservation efforts must be boosted in a major, international concerted effort. One of the main factors limiting resolute action is funding. It is now time to create hope for the monk seal through reinforcement of funding for its conservation. Coins for monk seals!

Purpose of this paper

In September 2006, an international conference on Monk Seal Conservation will be held in Turkey. Participants will be representatives from governments, Convention Secretariats, international and national non-governmental organizations, and the private sector.

The purpose of this paper is to provide input for the strategic discussion about funding conservation of the monk seal. The paper provides a brief – not an exhaustive! - overview of possible fundraising and funding mechanisms for the conservation of the Mediterranean Monk Seal. It recommends the formulation of a fundraising strategy and concludes with a discussion on a Mediterranean Monk Seal Conservation Trust Fund.

Monk seal conservation funding needs

Conservation priorities

Conservation of the Mediterranean monk seal comprises a whole range of immediate and long-term activities at local, national and international level. Obviously, the overall priority is to preserve the remnant populations of the monk seal. Key measures include the establishment and adequate management of reserves and measures to protect the species from deliberate and accidental killings. Legislation and law enforcement, capacity building, awareness raising and research are also important.

At least as important are measures to make other sectors, such as transport, infrastructural works, tourism, and fisheries, compatible with monk seal conservation needs. All of these are heavily subsidized, economically important and politically powerful sectors. Direct conservation measures will continue to be jeopardized if we do not succeed in “aligning” these sectors with monk seal, and - in general – marine conservation requirements.

Funding estimates

Funding needs for monk seal conservation priorities have been estimated for the Mediterranean area¹. The table below indicates the magnitude of costs related to the proposed actions for the Mediterranean and Atlantic Ocean region.

Category of priority actions	Estimated annual costs (in € 1000)
Capacity building, awareness raising and information	200 – 400
Conservation in high and in low density areas	4000 – 5000
Knowledge about status and habitat availability	1000 – 1300
Total costs for conservation priorities	5200 – 6700

Above numbers are indicative for priority actions only. The total budget needed annually for adequate conservation of the monk seal might well be in the order of € 10 million or more. No comprehensive overview is available of existing budgets or investments for monk seal conservation. However, all evidence shows that current funding is insufficient and fragmented, and that a major internationally concerted action is needed to secure future funding.

¹ The conservation of the Mediterranean monk seal, proposal of priority actions to be carried out in the Mediterranean Sea, UNEP, RAC/SPA Daniel Cebrian Menchero & Giovanni Torchia (ed. 2003).

Funding sources and fundraising mechanisms

Aim

This chapter briefly describes the main sources of funding. In a nutshell it provides an overview of existing funding sources. It also aims to support the search for new funding sources, and to give a set of fundraising options in preparation of a funding strategy.

The following sources will be dealt with:

- 1 Governments and governmental agencies
- 2 Multilateral agencies
- 3 Foundations
- 4 Private Sector
- 5 Individuals

1 Governmental funding sources

Fundraising:

- Funding proposals for general support, programs, projects, areas, matching grants, prepare for call for proposals
- Pro-active contacts with governmental agencies, foreign missions, policy dialogue, donor roundtables, events, workshops

The category of Governmental funding sources comprises governments, bilateral, and multilateral agencies and their decentralized offices. Examples are Nature Conservation, Environment and Fisheries Ministries; Embassies, Regional and Provincial authorities, Municipalities, and bilateral Development cooperation agencies.

Governments

In a general sense, we can distinguish three potential funding sources at the level of governments and their agencies:

1. Governmental (national and local) budgets for internal, national conservation policies, institutions, programs and projects.
2. Grants, co-funding and loans to other governments, non governmental organizations, as well as to international institutions, for policies, programs and projects.
3. Government revenue allocations.

1 Governmental (national and local) budgets for internal, national conservation policies, institutions, programs and projects. This covers direct and indirect conservation measures in a wide range of policy sectors: conservation, environment, spatial planning, transport, fisheries, regional cooperation, development cooperation, tourism, education and science, defense. Obviously, funding needs to be augmented, further focused and prioritized. Enhancing coherence and compatibility of policies and refraining from funding and interventions that undermine conservation efforts is another key factor. Without further elaborating this type of funding, we reiterate that adequate national governmental funding is a prerequisite for any major international initiative on fundraising for the monk seal.

2 Grants, co-funding and loans to other governments, non governmental organizations, as well as to international institutions, for policies, programs and projects. This category is important, and deserves a thorough assessment, as each governmental institution has its own criteria for funding foreign conservation efforts. For example, the French Global Environment Facility (FFEM) has two main criteria for funding biodiversity activities, including critically endangered species: involvement of local populations in biodiversity conservation activities, and integration of biodiversity protection into development approaches based upon the principle of rational use. Both criteria apply well to projects aiming to align fishery practices. The International Policy Programme on Biodiversity – BBI - and the Directorate General International Cooperation – DGIS - (both the Netherlands) fund marine, coastal and wetland projects as well as projects that relate to migrating species. Like many other governments, the Dutch government considers endorsement by International Conventions an important prerequisite for funding. But funding can also be very specific and targeted. The Monaco Ministry of Environment funded several monk seal sighting surveys in low density areas. Further to this, a number of countries from the Middle East, such as the Sultanate of Oman, have funded ad hoc conservation efforts in the Mediterranean. Other potential sources are the Department for International Development – DfID, and the Department of Environment, Food and Rural Affairs – DEFRA (Both UK) which both fund conservation programs. For example, the DEFRA supported Darwin Initiative is a small grants program for biodiversity conservation, for which monk seal activities would be eligible. With regard to the monk seals on the African coast, yet another source might be US-AID and the US Fish and Wildlife Service (USFWS), Division of international conservation. USFWS supports a wide range of wildlife conservation interventions abroad, from grass roots activities to capacity building and diplomacy.

3 Government revenue allocations. There exist a great variety of government revenue allocations as a source for species conservation. Continuously new mechanisms emerge, and it might be very worthwhile to

explore their use for monk seal conservation purposes. We list a number of mechanisms².

- Conservation taxes: tourism tax, tax on sport boats and sport fishing supplies, tax on cigarettes, tax enhancement for property in or adjacent to (and somehow either benefiting from, or causing damage to) nature reserves. Brazil, through its Environmental Compensation Tax, instituted a pre-condition that developers financially support the establishment or maintenance of a strict conservation unit (e.g. nature reserve), for an amount of 0.5 % of the total cost. This tax has generated US\$ 130 million (2003). Tradable development rights form a variation of this. Such a right permits environmentally damaging development in a certain area in return for the active conservation of other areas.
- Natural resource extraction revenues. Governments can apply financial mechanisms such as fines, royalties, and various taxes and fees to encourage more environmentally responsible practices and receive compensation for negative impacts on species diversity. The fines, royalties and fees, or parts thereof, can be used to fund conservation measures. For example, a substantial part of the US\$ 1 billion fine for the Exxon Valdez Oil Spill was devoted to conservation purposes.
- Economic incentives. Examples are tax deductions on green investments and charitable contributions (including for "donating" or designating and managing land for conservation purposes, the so-called conservation easements).
- Grant programs for purchase of land (e.g. Nature Monuments in the Netherlands)
- Conservation concessions, i.e. a government leases an area to a party (NGO, private entity or combination thereof) that takes care of its conservation. The lease income can be used for other conservation purposes.
- Lottery revenues annually provide millions already for conservation purposes. Examples are the UK, Dutch and Uzbekistan lotteries. Often, these types of revenues can only be used abroad through involvement of a national NGO.
- Sales of governmental products and services. For example the sale of premium-priced Motor Vehicle License Plates that show conservation supportive messages of which the difference in price is allocated to the earmarked cause. Another example is premium priced wildlife stamps, as applied in, among others, Germany, India, Russia and the US.

² Financing Species Conservation, Koteen, Sarah. 2004. Washington, D.C.: WWF Center for Conservation Finance

2 Multilateral institutions

Fundraising:

- Funding proposals for general support, programs, projects, areas, matching grants. Prepare for call for proposals
- Pro-active contacts with institutional representatives, governmental agencies, foreign missions, policy dialogue, donor roundtables, events, workshops

Multilateral donors generally direct their support to multi country priorities, as defined under international conventions. Monk seal conservation is clearly the kind of priority that can not be solved on a national basis. Although getting funding from these institutions requires a major investment and can be complex, they sometimes provide significantly greater funding than bilateral donors. Multilateral agencies that fund conservation include the European Union, the Global Environmental Facility (GEF), various UN institutions (UNDP, UNEP, UNESCO, and FAO) and development banks (World Bank, European Bank for Reconstruction and Development, European Investment Bank, African Development Bank). Banks normally provide loans, rather than grants or donations. Their contribution can leverage additional resources for conservation, such as through collaboration with granting agencies (e.g. European Union, GEF, Foundations).

European Union

The European Union is an important source for monk seal conservation funding. It has a number of policies and budgetary instruments through which it can provide funding for monk seal conservation:

1. Preservation and Management of Natural Resources. This includes a number of chapters. LIFE+, the EU-wide Financial Instrument for Environment. Fisheries; European Fund for Fisheries, on sustainable development of the fisheries sector and of coastal fisheries zones, and fisheries reform. Rural development, on sustainable rural development, land management. This also includes support for environmental protection, infrastructural development, European, interregional and cross-boundary co-operation, development of financial instruments.
2. The EU as a global partner. Instruments are, among others, the European Neighborhood and Partnership Instrument, Development Cooperation budget and European Development Fund, and Pre-Accession support (also cross-border cooperation). Development cooperation funds are particularly substantial. These funds must become major target sources for (monk seal) conservation programs in the Mediterranean and along the African-Atlantic coast.

3. Cohesion policy, on economic and social cohesion, including convergence, competitiveness and employment, territorial cooperation and technical assistance. The Cohesion and the Structural Funds provide for, amongst others, environmental projects, employment programs, etc.
4. Citizens, culture and media. This category might be relevant for supporting a major campaign on the Mediterranean monk seal. Example of an earlier call for proposals: Projects that bring people and organizations from both shores of the Mediterranean closer to each other.
5. Competitiveness for Growth and employment, including Research and Technology.

A wide range of activities can be financed through these instruments. Environmental clean up, water management, nature reserves, biodiversity conservation, administrative costs, capacity building, awareness, monitoring, research and development, natural risk prevention, sustainable tourism, sustainable fisheries, compensation schemes, all are activities relevant for monk seal protection and eligible for EU funding.

Only LIFE+ is specifically and exclusively dedicated to the environment. But the other instruments also provide funding for environment and conservation purposes, directly and indirectly. In the past the EU has financed a number of specific monk seal conservation projects from different instruments. One of the beneficiaries was MOM, the Hellenic Society for the Study and Protection of the monk seal. MOM got both LIFE-Nature and regional funding (3rd Community Support Framework, ERDF) to establish protected areas for the monk seal in the Aegean Sea and now works on a project to mitigate the negative consequences of conflicts between seals and the fishery sector. The Prefecture of the Cyclades and IFAW were the co-funders. The Greek Ministry of Environment also promised to co-finance. Through its Short and Medium-term Priority Environmental Action Programme (SMAP), the EU also provided funding for a monk seal project in Turkey, implemented by SAD-AFAG, in conjunction with WWF.

Through its legislation, Community programs and financial instruments, the EU aims to halt biodiversity loss by 2010. Here lies an opportunity for our case. There is no better symbol for the success of achieving this aim than by safeguarding its most endangered marine mammal species, the monk seal. From test case to show case!

With regard to the Fisheries, Structural, Rural Development and Cohesion funds, it is noteworthy to mention that the programming process has started already. On the basis of the Community strategic guidelines, Member States propose so-called National strategic reference frameworks and Operational Programs. It is important to ensure inclusion of marine conservation priorities in these programs.

Global Environment Facility

The GEF is one of the world's largest sources of funding for marine conservation, under the headings of biodiversity and international waters:

- Biodiversity: Coastal, marine and freshwater Ecosystems. This includes financing for projects that promote the conservation and sustainable use of coastal and marine resources under threat.
- International waters, including support for integrated water resources management practices on an area-wide basis, as well as anti-pollution projects.

The geographical scope of the GEF is developing countries and economies in transition. Implementing agencies are the UNDP, UNEP and the World Bank. GEF funds a variety of project types, ranging from its Small Grants Programme (community level projects), to Enabling Activities, Medium-Sized Projects (MSPs), and Full-Sized Projects (FSPs), including the use of the Project Development Facility to prepare them. Enabling activity projects provide financing for the preparation of a plan, strategy, or program to fulfil commitments under a global environmental convention.

Various Mediterranean countries have received GEF (co-)funding for drawing up marine conservation strategies, anti-pollution programs. GEF has also funded quite a number of multimillion Mediterranean conservation projects, such as "Conservation of wetland and coastal ecosystems in the Mediterranean" (UNDP-GEF), and Enhancing conservation of the critical network of wetlands required by migratory water birds on the African/Eurasian flyways" (UNEP-GEF).

Currently, a US\$ 30 million proposal is under consideration by the GEF (requested funding from GEF US\$ 15.7 million). It concerns the Strategic Partnership for the Mediterranean Larger Ecosystem. Many major agencies are involved.

GEF also provides for small grant programs. It funded (together with FFEM) the Rescue Plan for the Cap Blanc Colony of the Mediterranean Monk Seal (Mauritania). GEF also funded a study on the Status Survey of the Mediterranean monk seal around the Bodrum Peninsula, Southwest Turkey.

3 Foundations, Funds and NGO's

Fundraising:

- Funding proposals for general support, programs, projects, areas, matching grants, involve governmental or private sector co-financing
- Pro-active contacts with representatives, donor roundtables, events, workshops

There is a wide array of foundations that provide funding for conservation:

1. Philanthropic organizations, often established by wealthy individuals or corporations (often referred to as foundations),
2. Conservation Funds
3. NGO's that both fund activities of third parties and implement conservation activities themselves.

The diversity of geographical scope, priorities, criteria and application rules, on the one hand, and the conciseness of this paper on the other hand, makes us refrain from describing the individual sources. We can just provide a number of relevant examples.

Foundations

Examples of US based foundations:

- The Ford Foundation
- the Rockefeller Brothers Fund
- Wallace Global Fund, MacArthur Foundation
- Gordon and Betty Moore Foundation
- UN Foundation

Examples of European foundations:

- Oak Foundation (Switzerland; has a marine conservation program)
- Nando Peretti Foundation (Italy, wildlife, in particular animal protection)
- Aga Khan Foundation (Switzerland)
- Stichting DOEN (the Netherlands; close link to lottery).

Conservation Funds

Examples:

- BP Conservation Programme, a joint fund by Birdlife International, Fauna & Flora International (FFI), the Wildlife Conservation Society (WCS), Conservation International (CI), and British Petroleum (BP).
- Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of Conservation International, the Global Environment Facility, the Government of Japan, the John D. and Catherine T. MacArthur Foundation and the World Bank. Focuses on global biodiversity hotspots, of which the Mediterranean is one.
- Global Conservation Fund, based at Conservation International, major initial capital by Gordon and Betty Moore Foundation.

NGO's

Many non governmental organizations are active on different funding fronts: fundraising, using funds for their own (implementation) programs, and providing funding for others. The examples below show a limited number of organizations that are active as such. On various occasions they have been instrumental in leveraging funding for major nature conservation programs (including Trust Funds).

Examples:

- Conservation International (CI)
- International Fund for Animal Welfare (IFAW)
- The Nature Conservancy (TNC)
- World Wide Fund for Nature (WWF)

4 Private Sector

Fundraising:

- Event sponsoring, Corporate membership, Program, Project, Area or Species sponsor, corporate engagement (their actions help to achieve monk seal conservation goals)
- Pro-active contacts with local and head offices, response to inquiries, board contacts, major donor contacts, events, workshops, networking events

The total amount of corporate funding for biodiversity conservation is quite small, not only in relation to total profits made, but also as a percentage (less than 3%) of the current total annual global spending on protected areas (€ 2 – 3 billion a year). Nevertheless, there is much scope and non-utilized opportunities for involving the private sector. In many ways, the private sector can contribute to monk seal conservation:

- participation in government revenue allocation schemes (above)
- through foundations (above)
- corporate and employee sponsoring
- compensation schemes, for example in the case of (potentially) damaging extraction or development interventions
- integration of conservation measures in their practices, including education and training of employees
- promotion, awareness raising, outreach.

The tourism industry, including airline and other transport companies, might provide the most opportunities. Tourism, and not only nature and wildlife tourism, might provide a strong incentive for governments, communities and businesses to conserve species and their habitats. If designed to direct revenue back into the sustainable management of tourist targeted wildlife and habitat, tourism-based financing mechanisms can provide considerable support for species conservation. Tourism related mechanisms that can raise revenue for monk seal conservation include recreation fees (not in protected seal habitat!), hotel and airport taxes, and tourism voluntary contributions.

In a similar way to the tourism industry, the commercial and recreational fishing industry might provide a source of revenues. Mechanisms exist already in various countries, such as fish catch and service levies, fishing access payments, eco-labeling, and fines.

5 Individuals

Fundraising:

- Membership, planned gifts, capital campaign, lead NGO needed
- Corporate events, media events, program events, personal visits, direct mail, ads, brochures, website, telemarketing, face-to-face dialogue, tv, sms messaging, email marketing

Regarding individual contributors, we can distinguish two broad categories:

1. Small donations, members
2. Major donors

Small donations and membership is the way to get small amounts of money from many people and traditionally the best way to build constituency, commitment and long-term sustainability. It is also a good way to mobilise volunteers and activists and to raise public awareness. Monk seal adoption programs might form an incentive for individuals to form funding coalitions (schools, companies, Rotary groups etc).

The major donors approach aims at getting large sums of money from a few people. Success depends on personal trust and the quality of the networks and individual contacts. A capital campaign, e.g. in the form of a "Friends of the Monk Seal" campaign, could well both raise substantial money and establish, through the Friends, further contacts with the private sector.

Two principles are important with regard to raising support from individuals; the 80-20% rule and inter-linkages between funding sources. Empirical evidence has taught that the 80-20% formula also applies to fundraising: a limited number of the funding sources provide the major part of the income. An example. An organization, whose main constituency consists of members annually contributing a minor donation, can optimize its income by differentiating giving categories. Among "small givers" there are always some who want to give a large donation. Among these larger givers, there might be persons prepared to establish a "Friends of" construction, whose members not only donate substantial amounts, but also involve other wealthy persons. There might even be people that will give a planned donation (e.g. legacy).

The distinct funding sources are linked through personal relationships. A major donor can help to establish a contact with the private sector or with a foundation, and *vice versa*. Fully exploring the existing relationships and cultivating contacts are two key means to optimize the fundraising efforts.

The way forward

The earlier chapters provided a quick scan of funding possibilities for the monk seal. There are numerous sources. A further exploration is needed on sources, and, more importantly, on existing funding relations and commitments. Strengthening and building upon current relations with the funding constituency is one the most efficient and effective way of increasing income. Firstly, because most current sources are not fully used. Secondly, because the current donors might be crucial allies in approaching new funding sources. No better proof of reliability than positive references and support from existing donors.

Stepping up fundraising efforts is not the only issue that needs to be faced. There are two more key challenges:

- Avoiding duplication and competition, or to put it positively, fostering cooperation and optimal synergy between the various stakeholders, governmental agencies, Convention Secretariats and Working Groups, NGO's and others.
- Management of funds raised. This covers the whole range of accountable, efficient, profitable and effective fund management: fundraising, management and investment of available funds and disbursement.

There are many ways to address these issues. A full elaboration is beyond the remits of this paper. Instead, we will focus on two, complementary approaches:

1. Defining a Strategy for fundraising
2. Establishment of a Mediterranean monk seal Trust Fund

Strategy

The goal of the funding strategy is to ensure adequate and sustainable funding for the conservation of the Mediterranean monk seal. This translates into:

- a. Sufficient funds to be raised,
- b. A stable funding basis, e.g. through deployment of a balanced mix of complementary funding sources and fundraising mechanisms, and
- c. An efficient and effective structure to manage and disburse funds.

The strategy must answer the following questions:

1. Why is conservation of the monk seal urgent?
2. What are the key challenges and priorities of the conservation of the monk seal (based upon the monk seal action plans)?

3. What is the legitimacy and current constituency (legislative, institutional, public)? In other words: who supports conservation of the monk seal, and what is the common ground for their support?
4. What is current financial support?
5. What is the total budget needed annually (specified for priority categories, areas/countries; based upon the monk seal action plans)?
6. What are the envisaged beneficiaries / implementing agencies?
7. What are the primary target funding sources and basic funding propositions in the various categories: governmental, multilateral, foundations, private sector, individuals?
8. How to co-ordinate and implement the fundraising?
9. How to manage and disburse funds raised, both central and decentralized? This must comprise an assessment of alternative fund management mechanisms.
10. What are the priority actions envisaged and what is the indicative budget to implement the fundraising strategy itself.

Monk Seal Conservation Trust Fund

Pre-empting the assessment of alternative fund management mechanisms (strategic question nr 9, above), we elucidate a specific fund management structure, the so-called conservation trust fund. We do this because discussion of a trust fund touches upon the three vital aspects of funding for the monk seal: fundraising, cooperation and fund management.

Conservation trust funds

A Conservation trust fund is an independent, legally established management structure for the management of conservation funds. Worldwide, there are more than fifty trust funds that finance nature conservation. Most are national trust funds with a broad conservation scope. But the idea of (marine) transnational or single species trust funds is not novel. For example, the Mesoamerican Reef Fund (MAR Fund) is ecoregional, trans-national. This recently established Trust Fund is a joint initiative of four national trust funds from Belize, Honduras, Guatemala and Mexico. It received funding from, among other, The Nature Conservancy, the Oak Foundation, Summit Foundation and WWF.

The Monarch Butterfly Conservation Fund (MBCF, Mexico) is an example of a trust fund specifically designed for one single species. It received an endowment from the Packard Foundation, plus funding from the Mexican government and local states. Among others, it compensates timber logging permit holders for not harvesting. It also supports sustainable economic projects and law enforcement.

General characteristics of conservation trust funds

The main purpose of conservation trust funds is to provide long-term, stable funding for protection of nature areas and species. Most trust funds are legally independent institutions or private funds. Representatives of, among others, governments (often minority), NGO's and financial institutions might sit on the governing board. Trust funds have four basic components: capital assets, legal structures, a supervisory structure and a management structure.

Trust funds may have an endowment, sinking funds or revolving funds, or a combination thereof, each of relevance for monk seal protection;

- An endowment has permanent capital assets. Only (part of) the revenues generated such as through interest on investments are disbursed. Endowment funds can be capitalized by grants from governments, international donor agencies, private sector and funding NGO's.
- A sinking fund starts with an amount of money that is spent over a predefined period of time. As with the endowment, grants can come from any source. A major source is governments and funding institutions that - for legal, accountability or other reasons - are not allowed to provide un-earmarked funding, or that do not want contributions to become "immobilized".
- Revolving funds receive their financial resources on a regular basis, such as proceeds of special taxes designated to pay for conservation funds.

Monk seal conservation fund

The objectives of a monk seal conservation trust might be multifold, e.g. funding of nature reserves, specific species activities, grants in a competitive system. It could also be limited to priority cooperative actions and actions that can not be implemented and/or financed on a national basis only. In addition to the monk seal, there are many more conservation concerns in the area at stake. This might support an initiative for a broader, Mediterranean conservation trust fund. However, such a trust fund will not be able to address monk seal conservation measures in the Atlantic Ocean. Furthermore, the urgency of stepping up monk seal conservation measures does not allow for the much more complicated and longer process of establishing a general Mediterranean trust fund.

It goes without saying that the establishment of a monk seal trust fund needs quite some investment in terms of human and financial resources, of which defining the strategy is only a first and easy step. Once a monk seal conservation trust fund emerges as a preferred option, one has to undertake a feasibility study. Elements to consider are: stakeholders attitude (do they support or do they oppose e.g. because it competes with their own funding agenda's), interest of potential funding agencies / funding potential, conservation and funding objectives, legal, supervisory and management structures. The feasibility assessment should be implemented such that it also plays a marketing role. But the bottom line is an answer to the question: does the financial result outweigh

the investment and management costs? To give some benchmarks: all inclusive costs (including feasibility, convening events, fundraising, legal costs, etc) to establish a trust fund vary from € 100.000 to € 150.000, depending on the level of active support from stakeholders. A conservation endowment fund must be at least € 5 million to be cost effective. This is based on the following assumptions: average interest rate 7%, investment costs are 20% of interest raised, fixed costs about €200.000. In addition to its main financial purpose, a trust fund might offer advantages. The table below gives an overview of advantages and disadvantages to consider when contemplating the establishment of a monk seal trust fund.

Advantages and disadvantages of Trust Funds

Advantages	Disadvantages
<ul style="list-style-type: none"> • Due to the long-term nature, Trust Funds facilitate the long-term planning process of monk seal conservation • Transparent, if well designed. • Provide sustained funding, mitigating risks of unexpected stoppage of funds due to political changes, budget cuts, economic austerity programs, etc. • Since they are independent of government or donor instigated bureaucratic or multiple or complex procedures, Trust Funds can react more flexibly to new challenges. • More capable than large donor agencies of overseeing many small-scale projects, and adjusting requirements to fit local capacity and circumstances. • Facilitate coordination between various actors (donors, government, and civil society). • Leverage effect: Once established, funds can attract important additional funding from various sources. • Enjoy privileges such as tax exemption that enable full application of available funds to designated beneficiaries. 	<ul style="list-style-type: none"> • Its establishment will take a number of years, which is slow in the light of the urgency of monk seal conservation. • An endowment ties up large amounts of money, which only generate relatively modest income, a part of which is spent on administrative costs. • Minimum size for a Trust Fund to be cost effective is typically € 5 million. • Conservation Trust Funds may sometimes have high administrative costs, especially if the fund's capital is relatively small. • Possibility of low or unpredictable investment returns, especially in the short term. • Existence of a Trust Fund can prompt cutbacks in other conservation funds by host governments and donors for the Mediterranean and the Atlantic coast.

Suggested steps

Above chapters have indicated that there is much scope for stepping up fundraising efforts. We suggested two steps:

1. Further assessment of funding sources, with special attention for existing funding relations and commitments.
2. Drawing up, in a phased approach, a funding strategy for conservation of the Mediterranean monk seal. This strategy must include, as part of an assessment of alternative financing options, a pre-feasibility study for a Mediterranean monk seal trust fund.

If this is agreed, a work plan must be defined, including roles, responsibilities and tasks for a working group, to be established.

Some key information sources on conservation funding

www.conservationfinance.org

www.worldwildlife.org/conservationfinance

www.gefweb.org

http://ec.europa.eu/environment/funding/intro_en.htm