



THE
MED
FUND



Annual report
2020

BEUCHAT
The best the world has



Edito

I am very pleased to write the foreword of this report which presents the activities carried out in 2020 by The MedFund. In a global context marked by a health crisis, the Fund was able to continue its institutional development, specifically the creation of a body intended to ensure a proper granting of funds, as an important quality in the choice of the financial investments.

The MedFund made a commitment to provide new protected areas in the Mediterranean with long-term support. At the same time, it consolidated its financial resources, in particular through the inflow of multilateral support from GEF and AFD.

At the end of 2020, we are therefore committed to providing 2.7 million euros over the next 5 years for the long-term financing of 8 MPAs representing 3000 km² of maritime area.

We will continue to make progress in 2021 by securing new sources of funding and gradually increasing the number of MPAs we support, with a target of 20 MPAs by 2025 with an emphasis on strong and efficient protection.

The Mediterranean, which suffers from so many ailments, deserves to be taken care of and Marine Protected Areas are undoubtedly one of the most effective remedies.



H. E Bernard Fautrier

President of The MedFund

Minister Plenipotentiary
Special Advisor of HSH the
Sovereign Prince on
Environmental issues



Romain Renoux

Executive Director of The MedFund

Marine Protected Areas (MPAs) are very effective tools for preserving marine ecosystems provided they are efficiently managed and sustainably funded.

Based on this observation shared by the scientific community, The MedFund grants long-term funding to support national agencies and civil society organizations in their daily missions of protecting the sea: enhanced surveillance, scientific monitoring of emblematic species, promotion of eco-responsible activities, environmental education, promotion of shared governance of the sea so that the MPAs supported in Tunisia, Morocco, Albania and Turkey fully and sustainably contribute to the protection of the Mediterranean Sea.

SUSTAINABLE FINANCING OF MARINE PROTECTED AREAS IN THE MEDITERRANEAN

Marine Protected Areas represent only about 8%* of the surface of the Mediterranean and yet too few of them are effectively managed, most of them lack the material and financial resources to be efficient.

In order to meet this challenge, an environmental trust fund, The MedFund, was created in 2015 and is dedicated to the sustainable financing of Marine Protected Areas (MPAs) in the Mediterranean.

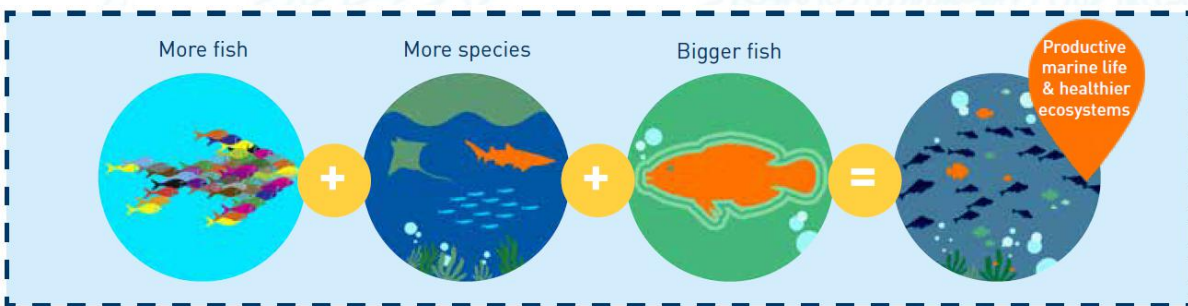
An organization declared under Monegasque law, The MedFund is a Mediterranean cooperation platform. It brings together States with an ambitious policy in favor of the creation of MPAs and having explicitly expressed their support for the initiative, as well as regional civil society organizations committed to the protection of the Mediterranean.

To date, member countries are France, Tunisia, the Principality of Monaco, Morocco, Albania and Spain.

The member organizations are the Prince Albert II of Monaco Foundation, the Oceanographic Institute of Monaco as well as regional organizations involved in the conservation of marine and coastal ecosystems of the Mediterranean such as the Specially Protected Area / Regional Activity Center - UN Environment - MAP, the Critical Ecosystem Partnership Fund, the association of Mediterranean MPA managers MedPAN, WWF Mediterranean, IUCN Mediterranean, the French coastal protection agency Conservatoire du Littoral and the Mediterranean Small Islands Initiative.

*Source : MAPAMED 2020

Advantages of a marine protected area



OUR VISION

Mediterranean marine and coastal ecosystems that are preserved, resilient, sustainably managed with and for the benefit of society

OUR MISSION

Sustainable financing of the effective management of Mediterranean MPAs

OUR VALUES

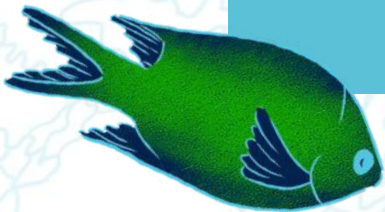
- Respect for the sovereignty of each country
- Dialogue and participation
- Sustainability of actions
- Integrity and transparency

2020 - 2025 OPERATIONAL STRATEGY

Seeking the support of public and private actors to:

- ◆ Mobilize new funds independent of those currently intended for Mediterranean MPAs,
- ◆ Raise awareness on the role of MPAs

Contribute to the **long-term** financing of activities that are poorly funded but essential to the effective management of MPAs, in particular their recurring management costs.





KEY FIGURES 2020

#8

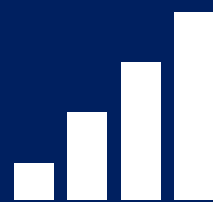
Beneficiary MPAs

+3 000 km²
of Marine Protected Areas



In 4 Mediterranean countries

TUNISIA ♦ ALBANIA ♦ MOROCCO ♦ TURKEY



2.7 million
euros
committed

Support
agreements
over

5 years



Our action in marine protected areas



Following a first call for expressions of interest launched in 2019, The MedFund received 7 applications from 3 different countries (Tunisia, Albania, Morocco). In 2020, the first five long-term support agreements were signed with the MPAs of Kuriat, La Galite, Zembra-Zembretta and Kneiss in Tunisia and the MPA of Karaburun Sazan in Albania.

The MedFund supports "co-management" approaches, i.e. the joint involvement of a national authority in charge of the management, and an NGO present in the field to support the implementation of actions.

Continuing its commitment, The MedFund launched a new call for expressions of interest in 2020. 10 applications were collected from 6 countries (Morocco, Algeria, Lebanon, Turkey, Albania, Montenegro). Following the recommendations of the grant award committee, the Board has selected 3 of them for a financing that will begin in 2021 and run through 2025.

The new beneficiaries are the MPAs of Gokova Bay in Turkey, as well as Jbel Moussa and Al Hoceima in Morocco.



ALBANIA / KARABURUN SAZAN MPA

Co-management: Regional Administration of Protected Areas in Vlore - Flag Pine
Funding allocated in 2020: € 61 760

- > The management team of Albania's first Marine Park has been in place since June 2020.
- > Surveillance was strengthened, including with a few night patrols.
- > The first monitoring of Cystoseira and of water quality was carried out in summer 2020.



©Notre Grand Bleu

TUNISIA/ KURIAT MPA

Co-management: Coastal Protection and Management Agency (APAL) - Notre Grand Bleu
Funding allocated in 2020: € 60 499

- > The management team is in place and carried out the planned activities: scientific monitoring, surveillance, ghost gear retrieval, raising awareness among the media, the authorities and the children of fishermen,
- > A turtle nesting record was observed this year and 2.719 young turtles reached the sea from the beaches of Kuriat.



©Méditerranée Action Nature

TUNISIA/ LA GALITE MPA

Co-management: APAL- Méditerranée Action Nature
Funding allocated in 2020: € 63 865

- > The management team from the NGO was recruited at the end of 2020.
- > Meetings were held while waiting for the effective start of the local management support committee. Although many activities were postponed to 2021, ornithological monitoring were carried out, in particular for the Eleanor Falcon.



©ASPEN Cap Bon

TUNISIA/ ZEMBRA -ZEMBRETTE MPA

Co-management: APAL - ASPEN Cap Bon
Funding allocated in 2020: € 45 106

- > 2020 was a year of preparation with the recruitment of the management team for the positions of coordinator and eco-guard. Some preparatory meetings were held with the municipality of El-Hauaria and local stakeholders. However, many activities planned for 2020 were postponed to 2021.



©Association Continuité des générations

TUNISIA/ KNEISS ISLANDS MPA

Co-management: APAL-Association Continuité des Générations
Funding allocated in 2020: € 6

- > Some preparatory activities for co-management took place in 2020: site visit with experts in marine and avifauna biodiversity, survey with local stakeholders to prepare the co-management model, acquisition of the initial management materials. Major maintenance work was carried out on the site's reception area.

MONITORING AND EVALUATION OF MPA MANAGEMENT EFFICIENCY

©RAPA Vloira

The MedFund continuously monitors its performance and the efficiency of activities funded through a scientific assessment tool developed for Mediterranean MPAs. This tool is based on 3 elements of analysis:

- **Context and structure of the MPA**

Is the management plan available and up to date? Is the governance in place? Does the MPA have the human, financial and technical resources to implement the actions?

- **Management effectiveness**

These indicators make it possible to verify annually the implementation of activities such as surveillance, habitat conservation, scientific monitoring, management of high-impact socio-economic activities (fishing, tourism, etc.).

- **Management efficiency**

These data allow to assess the impact of the MPA management on marine species and ecosystems, the evolution of fishery resources, as well as the socio-economic benefits for local populations.



3 conservation targets are selected for each MPA.

These are emblematic species or habitats of the site that are under pressure. They will be the subject of a specific long-term monitoring.

For example in Kuriat MPA, conservation targets are Posidonia meadows, loggerhead turtles and the little terns.

IN 2020

With the start of the partnership agreements in the 5 beneficiary MPAs, the assessment tools were put in place, the initial status (baseline) were prepared or updated. The MedFund team provided support for managers and for the identification of the data to be collected in the years to come.





RESOURCE MOBILIZATION

The MedFund is part of a small group of cross-border Trust Funds (Conservation Trust Fund - CTF) that were established around the world over the past decade to address specific marine conservation needs in their own region.

Since its creation in 2015, The MedFund has matured as an organization and has already raised € 9M to structure and establish the fund and build an initial endowment.

In order to support around 20 MPAs by 2025, The MedFund has created several complementary windows: an endowment fund, a sinking fund and a revolving fund.

A resource mobilization strategy was developed in 2020, in order to specify the guidelines and fundraising efforts to be implemented over the period 2021-2025.

A communication strategy was also developed to promote The MedFund and support the mobilization of resources. The various communication tools will be deployed throughout 2021.

The COVID-19 pandemic will have significant impacts on marine conservation financing and will likely increase competition for access to funding from different donors. Conservation Trust Funds are, however, seen as reliable tools to secure long-term funds and channel them into essential conservation actions in difficult times.

Emerging themes in global and regional agendas could be used by MedFund to position itself as a key partner for donors (such as climate, sustainable fisheries, blue economy, connectivity).

The MedFund pursues its objective of mobilizing resources from institutional donors, foundations or philanthropic organizations and the private sector.



RESOURCE MOBILIZATION STRATEGY

- 22 potential priority donors identified
- 3 innovative financing mechanisms analysed
- A donation acceptance policy
- 4 thematic concept notes
(climate, sustainable fishing, blue economy, connectivity)



© Gokova MPA, Zafer Kizilkaya



TOWARDS A NEW GEF PROJECT

In 2020, The MedFund partnered with MedPAN to develop and submit a joint project proposal to GEF 7 - International Waters Department entitled **Build back a blue and stronger Mediterranean.**

The project received an initial GEF approval in December 2020. The full project document will be developed in the course of 2021.

This project, totaling \$ 5M, will strengthen the capacities of Mediterranean MPAs and allow for a \$ 4M contribution to The MedFund.



© Gokova MPA, Zafer Kizilkaya

ORGANIZATION AND ADMINISTRATION

The MedFund continued its structuring in 2020 with the adoption of an **operations manual** and a **manual of administrative and financial procedures** in accordance with the recommendations of the international standards of Trust Funds for conservation (Practice Standards for CTFs - Conservation Finance Alliance).

The operations manual describes the rules and procedures for requesting and granting funding, disbursement, monitoring, closing and evaluation of grants, while the administrative and financial procedures manual specifies the principles, rules and tools in place.

The team was also strengthened with the recruitment of Elodie Couraud as Project and Communication Manager. Romain Renoux, who held the position of coordinator of the initiative, became Executive Director.

In 2020, two specific committees were created to best support the governance of the Fund.

The **Grant Award Committee (GAC)** is responsible for evaluating funding requests for access to resources generated by the association.

It suggests the list of grants to be awarded and their amount, in accordance with the strategic and operational documents approved by the Fund's decision-making bodies. The GAC is currently composed of the Executive Director, two Board members and three conservation experts.

The **Investment Committee** is responsible for advising the Board of Directors on **all financial matters** relating in particular to the definition and monitoring of the Fund's investment policy. The Investment Committee is currently composed of the Executive Director, two members of the Board of Directors and three financial management experts.

Technical committees composed of members and experts also met to monitor and contribute to the work on the resource mobilization strategy, the communication strategy and the climate strategy.

The MedFund General Assembly was held on December 1, 2020 by videoconference.

2020 ORGANIZATION CHART



GENERAL ASSEMBLY

Constitutes the supreme authority of the Association. It is responsible for the statutory and strategic decisions of The MedFund.



BOARD OF DIRECTORS

Takes all decisions regarding the operational and financial management of the Fund.

- **President His Excellence Mr. Bernard FAUTRIER**, Minister plenipotentiary, Member of the Executive Board of Prince Albert II of Monaco Foundation, Special Advisor of HSH the Sovereign Prince on environmental issues
- **Vice-President His Excellence Mr. Yann WEHLING**, French Ambassador for the Environment
- **Treasurer Mr. Fabrice BERNARD**, Delegate for Europe and International, Conservatoire du littoral
- **General Secretary Mr. Hedi CHEBILI**, General Director of Environment and Quality of Life at the Ministry of Local Affairs and Environment of Tunisia
- **Ms. Marie-Pierre GRAMAGLIA**, Minister of Public Works, Environment and Urban Development, Government of Monaco
- **Mr. Khalil ATTIA**, Director of UN Environment/MAP- SPA/RAC
- **Ms. Puri CANALS**, Presidente of the MedPAN organisation
- **Mr. Antonio TROYA**, Director/ Programme Coordinator of IUCN Med



GRANT AWARD COMMITTEE

Is responsible for evaluating funding requests for access to resources generated by The MedFund.

As experts :

Mr. Habib BEN MOUSSA
Ms. Melina MARCOU
Ms. Awatef ABIADH



INVESTMENT COMMITTEE

Is responsible for advising the Board of Directors on all financial matters relating in particular to the definition and monitoring of the Fund's investment policy.

As experts :

Mr. Paul-Marie JACQUES
Mr. Jean-François CULLIEYRIER
Ms. Anne-Catherine HUSSON-TRAORE



EXECUTIVE MANAGEMENT OF THE FUND

Implements the activities of the Fund and ensures its day-to-day management. Plays a major role in the grant award process, monitoring of funded projects, fundraising and communication activities.

- Romain Renoux, Executive Director
- Laura Marrucchelli, Administrative and Financial Executive Assistant
- Elodie Couraud, Project and Communication Manager



عش السلحفاة البحرية

Nid de tortue marine

Sea turtle nest

GK-04



OUTREACH AND PARTNERSHIPS

THE MEDFUND IS SUPPORTED BY AN ALLIANCE OF PUBLIC AND PRIVATE DONORS



CONTRIBUTION OF THE MEDFUND TO THE MEDITERRANEAN AGENDA



Union for the Mediterranean Task Force Meeting

In view of the next ministerial meeting on environment of the Union for the Mediterranean, The MedFund, as a labeled initiative, attended the meeting of the Environment Task Force in November 2020.



THE 2020 FORUM
of Marine Protected Areas
in the Mediterranean

MARINE PROTECTED AREAS:
Everyone's Business.

MedPAN / SPA-RAC / WWF Sustainable Financing Working Group

As part of the preparation of the post-2020 roadmap for marine protected areas in the Mediterranean covering the period 2021-2030, a participatory process was launched jointly by MedPAN, SPA/RAC and WWF. The MedFund participated in the Sustainable Financing Working Group meeting on November 20, 2020.



AFRICAN ENVIRONMENTAL FUNDS CONSORTIUM (CAFE) MEMBERSHIP

In 2020, The MedFund joined the African Consortium of Environmental Funds (CAFE), a network of 17 marine and terrestrial Trusts Funds on the African continent.

The vision of this network created in 2011 is "becoming a globally recognized alliance for the promotion of sustainable financing of the environment in Africa" and its mission is to "build a learning community of actors who share best practices and implement innovative financing mechanisms to encourage conservation, environmental management and sustainable development in Africa".

FINANCIAL ELEMENTS

Numerous studies were carried out in 2020 and were financed to support the structuring of the Fund. These include a study on financial needs of MPAs and the monitoring of their management efficiency, a study on the structuring of the Fund, a contract to implement the gender strategy, a study on resource mobilization and another on the communication strategy.

The MedFund's 2020 financial statement shows assets of € 5 825 294 and a surplus of € 3 749 080 in the income statement. This substantial surplus is linked to the payment of the AFD grant of € 4 000 000 in December 2020.

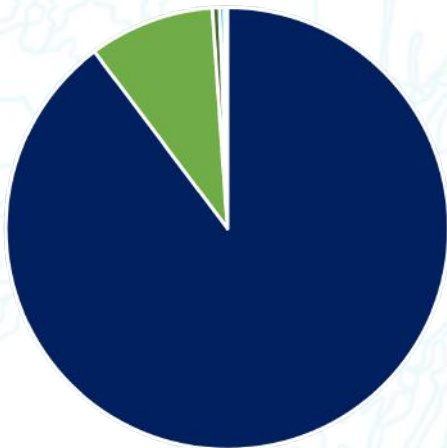
The financial statement was sent to the auditors for the legal audit.



In 2020, € 300 000 were paid to 5 Marine Protected Areas located in Tunisia and Albania.

BREAKDOWN OF FUNDS RECEIVED 2020

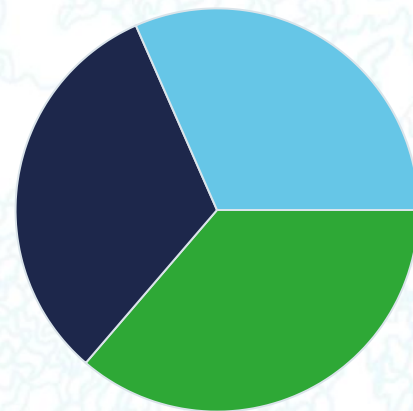
(EUROS)



- AFD - 4 000 000€
- GEF - 407 891 €
- FFEM - 152 444€
- Basel Zoo - 23 452€
- Oceanographic Institute of Monaco - 14 853€
- Sorbonne University - Biodiversarium - 8 000€
- Nausicaa - 2 544€

BREAKDOWN OF EXPENDITURE 2020

(EUROS)



- Grants to MPAs 300,347 EUR
- Administration 265,700 EUR
- Support to structuring 261,488 EUR

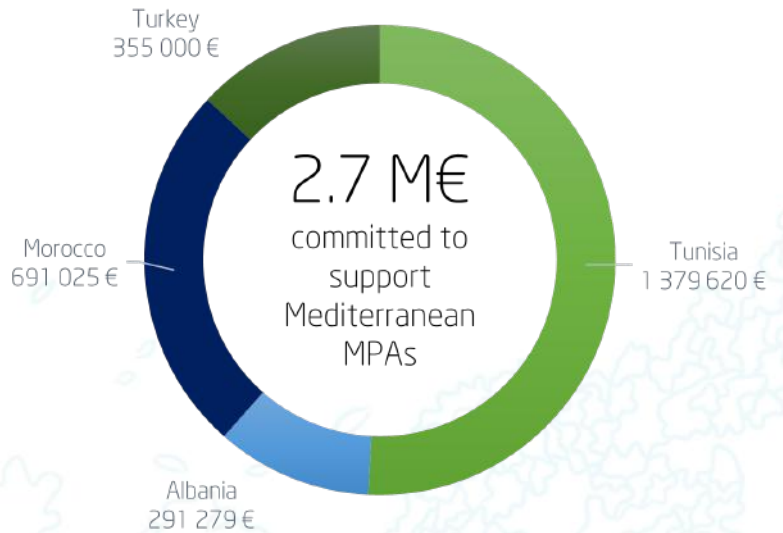
In December the French Development Agency (AFD) made the first investment in the endowment fund with a € 4M grant paid to The MedFund.

AFD thus joined the Prince Albert II of Monaco Foundation, GEF, FFEM and the Government of Monaco within the coalition of MedFund donors.

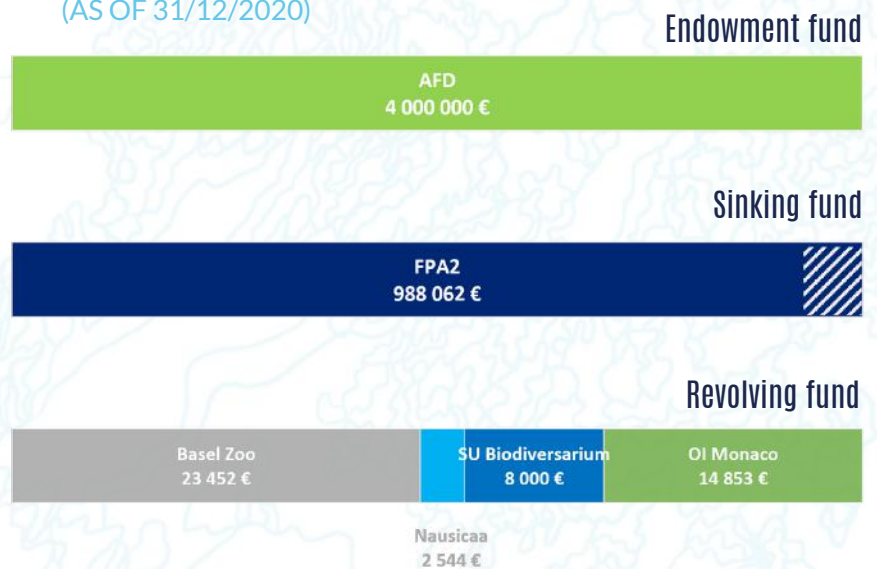
This amount will be capitalized according to a responsible investment policy and the generated profits will allow a long-term support to MPA managers in various Mediterranean countries.

The MedFund also receives project funds which help to structure the Fund. In 2020, FFEM and GEF contributed respectively with € 152 444 and € 407 891 for its structuring activities.

FUNDS COMMITTED BY THE MEDFUND OVER THE PERIOD 2020- 2025



BREAKDOWN OF THE MEDFUND BY WINDOW (AS OF 31/12/2020)



A RESPONSIBLE INVESTMENT POLICY

A responsible investment policy was adopted at the Board of Directors meeting on October 27th, 2020 and was revised at the General Assembly on December 1, 2020.



This policy will guide the work of the Fund manager and the Investment Committee. The suggested investments will be in accordance with best practices of responsible investment and sustainable finance.

The MedFund

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