

## Biodiversity – the Caribbean

### Preserving coral reefs and mangrove forests

The Caribbean islands are well-known for their diversity of plants, fish and other animals – but these natural wonders are under threat. The increase in the oceans' temperature is damaging coral reefs, the abundance of fish is declining, and hotels are sprawling out along beaches. To support local ocean conservation areas, KfW has financed the Caribbean Biodiversity Fund since 2010 on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ).

### Current situation

Coral reefs with a total size of two million hectares, extensive mangrove forests and more than 1,400 species of fish make the Caribbean islands one of the world's five most important hot spots for biodiversity. The Caribbean Sea also offers protection for many migratory animals. For example, six out of the seven endangered species of sea turtle live here. Biologists have counted 300 bird and mammal species that are only found here.

This unique and fragile ecosystem is exposed to and threatened by many negative influences, predominantly caused by humans. Furthermore, climate change and the associated rise in the oceans' temperature, as well as increasing extreme weather events are becoming a serious threat to the continued existence of biodiversity in the region.

The majority of people on the densely populated Caribbean islands live in the coastal areas and adjacent regions and their livelihood is chiefly dependent on the available marine resources.

### Project approach

The Caribbean Biodiversity Fund was established to protect this biological diversity and the natural resources. Its Secretariat is based in the Bahamas; one representative each from both the non-governmental organisation The Nature Conservancy and KfW as well as representatives from several national nature conservation funds sit on the supervisory board. The CBF's financial means now sum up to USD 67 million. On behalf of the Federal Ministry for Economic Cooperation and Development, KfW alone contributed EUR 45 million. The Nature Conservancy and the World Bank contributed additional funds. The return on the assets covers, among other things, the designation of new protected areas and the preservation of existing ones.

<b>Project name</b>	Caribbean Challenge Initiative regional conservation fund
<b>Commissioned by</b>	German Federal Ministry for Economic Cooperation and Development (BMZ)
<b>Country/region</b>	The Caribbean
<b>Project partner</b>	Caribbean Biodiversity Fund





Sea turtles are among the endangered species. Source: thinkstock, photographer: Shane Myers Photography

Eight countries and territories have already set up national nature conservation funds that receive funding from the central Caribbean Biodiversity Fund to promote their respective national conservation zones, for example to buy patrol boats, revitalise habitats or extend the zones. An additional four countries are observers and set to become members. The following countries are involved:

- Antigua and Barbuda,
- the Bahamas,
- British Virgin Islands (observer),
- the Dominican Republic,
- Grenada,
- Guyana (observer),
- Haiti (observer),
- Jamaica,
- Puerto Rico (observer),
- St. Kitts and Nevis,
- St. Lucia and
- St. Vincent and the Grenadines.

These countries and territories joined forces in 2008 to create the Caribbean Challenge Initiative; their objective is to place 20% of their coastal areas under protection by the end of 2020.

The Caribbean Challenge Initiative will double the amount of protected marine and coastal habitats. Nearly seven million hectares are being placed under protection. The initiative contributes to the protection of biodiversity and natural resources by supporting the participating governments as they create sustainable financ-

ing mechanisms for providing long-term funding for conservation measures.

Within the framework of the initiative, the Caribbean Biodiversity Fund was set up at regional level on the one hand; additional national conservation funds were created in the participating countries. KfW will help manage the fund during the initial phase and then transfer responsibility to the trust that supports the fund. It is assumed that, together with additional income from the national conservation funds such as admission fees, the fund will yield sufficient returns by that time to cover the ongoing requirements of the marine conservation areas.

### Impact

The financial contributions from the Caribbean Biodiversity Fund to local funds in the participating countries create a long-term financing mechanism that ensures operation of existing and expansion of new conservation areas. Infrastructure and management of local conservation areas are improving, thus incorporating protection of biodiversity in the entire region.

Not to mention that the local economy and people also profit from this. Throughout the Caribbean, income from fishing and tourism amounts to an annual USD 80 billion. Many people are dependent on this source of income, which is based on the natural diversity of the Caribbean islands.



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