"Donors have started to shift funding to address other urgent and essential needs": An interview with Markus Knigge of Blue Action Fund

Blue Action Fund supports the work of NGOs to conserve oceans and coastlines in the developing world, including via MPAs. Based in Germany, the Fund is a private foundation that receives its funding from the national governments of Germany, Sweden, and France. Its relatively unique position – with one foot in the foundation world, and one in the government world – gives it a valuable vantage point on trends in the philanthropic sector.

MPA News asked Markus Knigge (mknigge@blueactionfund.org; Twitter @OceanKnigge), executive director of Blue Action Fund, for his views on how the coming financial crisis could impact grant funding for MPAs.

What do you see as the main challenges facing the marine philanthropic community – both governments and foundations – in the coming months?

Markus Knigge: "The COVID-19 pandemic has swept across the world, causing tremendous human tragedy and a historic economic setback of which we still do not know the full impact. This is likely to negatively affect the availability of funding for marine conservation in the short term:

- Public and private donors have started to shift significant amounts of funding to address other urgent and essential needs.
- Losses in the stock market combined with low interest rates will severely impact investment earnings from endowments.
- NGOs are likely facing decreases in private donations.

"However, COVID-19 has brought to the forefront the notion that prevention is far more cost-efficient than treatment. This creates an opportunity to secure more investment for crisis prevention in the future. This is true for mitigation and adaptation work to fight the climate crisis. Similarly, it is true for active habitat management and restoration to avoid zoonotic disease outbreaks originating from wildlife."

As the marine philanthropic community adjusts to the financial crisis, what will the impact look like for grantees?

"Currently, donors are using many tools to accommodate the short-term needs of their grantees and partner organizations. These range from flexibility to use funding for different purposes, to opportunities to delay implementation and reporting, to providing additional funding."

"There also seems to be a general agreement that investments in economic recovery need to promote the transition to a greener and more socially-just economy. More financing will be needed for habitat management, restoration, and rehabilitation to make ecosystems more resilient. Conservation trust funds might well play an important role in this through their long-term financing of necessary conservation actions."

What advice do you have for MPA practitioners for how they can maintain their programs and funding through the crisis?

"COVID-19 creates an opportunity to use private donations and public funding more wisely. Over the last few years, too many resources have been spent on visibility, events, travel, and 'nice-to-have' investments instead of more cost-efficient solutions and real conservation actions on the ground. All such investments can make sense in a certain context. Yet far too often ideas and approaches are transferred or replicated without reflection about their cost-effectiveness and serious evaluation of alternatives.

"In some MPAs, efforts to diversify income and to rely less on tourism revenues need to intensify further. Also, the topic of nature-based solutions will receive increased attention from funders. This includes the protection and management of coastal ecosystems like mangroves, sea grass, coral reefs, and tidal marshes, which are particularly relevant for climate change adaptation. (In the coming years, Blue Action Fund will finance these types of measures in the Western Indian Ocean, with up to €50 million provided by the Green Climate Fund and the German Federal Ministry for Economic Cooperation and Development.)"

"In recent weeks and months, we have seen how fragile our global world is. There is a major opportunity to use this experience to explain how the health of the ocean is directly linked and positively correlated to human health, security, and prosperity. Investing in effectively managed MPAs is an investment in our future."