



Quick overview of the Finance Solutions under implementation

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As the BFP enters its implementation phase, Some Financial solutions are being taken for implementation. These encompass a thorough examination of the tourist entrance fee structure and the active adoption of a digital voucher system to streamline fee collection. The integration of biodiversity considerations into the PPP framework is now actively underway, as is the execution of PPP investments aimed at bolstering protected areas (PAs) within Zanzibar Simultaneously, a critical assessment of potentially detrimental subsidies within the Blue Economy is being conducted.

1. Review of fees related to protected and marine conservation areas (PMCA's) and implementation of digital voucher payment system for tourists entering PMCA's.

Zanzibar witnesses an annual influx of approximately 400,000 tourists, drawn by the allure of both marine and terrestrial protected sites. Paradoxically, the existing entrance fee structure, which hasn't been revisited for an extended period, results in notably limited revenue generation. This situation underscores the need for improved financial resources dedicated to biodiversity initiatives. In response, this finance-oriented solution strives to bolster funding through revised entry and ancillary fees, focusing on both protected marine and terrestrial conservation areas. The objective is not only to amplify financial input from tourists but also to enhance the efficiency of the digital payment system. The recalibrated fees will accurately mirror the service provisions extended to visitors and establish parity with charges imposed by analogous attractions in mainland Tanzania and other Indian Ocean Island destinations. Furthermore, the introduction of a digital payment mechanism anticipates mitigating cash-related losses while concurrently elevating the accountability and transparency of fee-generated funds.



2. Mainstreaming biodiversity in the PPP framework and implement PPP investment for PAs in Zanzibar

The proposition for executing this financial solution within Zanzibar has recently been formulated and granted approval for the timeframe spanning 2023 to 2024. The primary objective of this financial strategy is to seamlessly integrate biodiversity considerations within the PPP framework. By doing so, it strives to optimize conservation efforts and the subsequent socio-economic advantages through competitive investments facilitated by partners in Zanzibar. This initiative will serve as a supportive pillar for realizing the goals set forth in the five-year "Green Legacy Initiative" from 2022 to 2027.

Several critical sectors – namely Tourism, the Blue Economy, fisheries, agriculture, forestry, wildlife, and non-renewable resources – exhibit substantial potential for channeling investments toward biodiversity management within the PPP framework. While the Zanzibar PPP Department, housed under the Zanzibar Planning Commission, establishes a hub for coordinating and overseeing PPP projects, the Zanzibar Investment Promotion Authority (ZIPA) ensures that prospective PPP projects are effectively communicated to potential investors.

3. Mapping and assessment of subsidies potentially harmful to biodiversity in the fisheries sector and seaweed farming.

These Finance Solutions, specifically focusing on fisheries and seaweed farming, have the primary goal of assessing and redesigning practices that might pose potential harm to biodiversity. The intention is to realign these practices to ensure the long-term sustainability of fisheries and seaweed farming. The ongoing evaluation of potentially harmful subsidies in relation to biodiversity takes into consideration insights derived from the 5th Global Conference on biodiversity finance, which was convened in Cape Town, South Africa, from May 9th to 11th, 2023. The conference highlighted a critical point: the identification and quantification of potentially harmful subsidies present a complex challenge. To effectively reform such subsidies, a comprehensive assessment should encompass high, moderate, and uncertain risks. This comprehensive approach ensures that the reform efforts target subsidies posing the greatest risk and yielding the highest value. Furthermore, recognizing that reforms entail socio-economic ramifications, a thorough understanding of their impact on small-scale producers and users is imperative. This involves considering groups like artisanal fishers and seaweed farmers. Policies aimed at addressing the impacts on these stakeholders are pivotal for the successful execution of reforms.