# Sustainably Financing Ireland's Marine Protected Area Network— A Summary

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# FAIR SEAS

To meet Ireland’s 30x30 marine protection commitment, the Government needs to fill a financing gap of ~€55 million over the next seven years to fund the establishment and management of effective MPAs. This will be a vital, smart investment in Ireland’s sustainable future that will support its thriving ocean economy and very quickly pay for itself. Our report proposes a range of potential financing mechanisms for the Government to consider.

Exhibit 1.1: 100+ countries have now joined the global coalition championing 30x30, a target which aims to halt the accelerating loss of species, and protect vital ecosystems that are the source of our economic security.

Source: HAC for Nature and People, HAC Members

Countries committed to the High Ambition Coalition for MPAs

## Context

In December 2022, at the Convention on Biological Diversity COP15 in Montreal, over 190 countries committed to protecting or conserving at least 30% of the planet's land and ocean by 2030 (the 30x30 target). Marine protected areas (MPAs) are increasingly recognised as an important tool for conserving and restoring marine ecosystems and biodiversity under the 1982 United Nations Convention on the Law of the Sea[1], and as a means of contributing to climate action. Coastal states can establish MPAs within their Exclusive Economic Zones (EEZs) to protect critical habitats and species and progress toward their 30x30 commitment.

In 2020, the Government of Ireland committed to the 30x30 target and joined the related High Ambition Coalition.[2] At the time, Ireland claimed 2.3% of its EEZ as being protected. In July 2023, the Government announced that Ireland's MPA spatial coverage had more than tripled, to just over 9%[3], coming very close to reaching its ambition to achieve 10% marine protection by the middle of 2023.[4] But the rate of protected area growth will need to accelerate over the rest of the decade – both in Ireland and globally – if we are to protect 30% of the global ocean by 2030.

This report aims to facilitate informed conversations about how to finance Ireland's national and international marine protection commitments and proposes potential ways to fill the financing gap.

1 https://www.unclos.org/
2 https://www.hacfornatureandpeople.org/home
3 Government of Ireland, Press release: Minister Noonan announces Ireland's largest protected area for birds, July 2023
4 Government of Ireland, Press release: Ireland announces major boost in marine environmental protection to coincide with COP15, December 2022



## Current state

Ireland's current MPA network, managed by the National Parks and Wildlife Service (NPWS), consists primarily of Special Protection Areas (SPAs) and Special Areas of Conservation (SACs), which are protected area designations defined under EU law. SACs and SPAs are limited by their focus on habitats and species determined to be vulnerable, rare and/or endemic at a pan-European scale, and thus potentially exclude significant unique aspects of the Irish marine environment (e.g., species and habitat types not listed in the EU Birds and Habitats Directives but of importance to Ireland). Additionally, SACs and SPAs have historically not been well-managed, largely due to lack of funding.[5]

Ireland has other categories of protected area under national legislation (the Wildlife Act), but they are even more limited in scope and application in the marine environment.[6] These shortcomings mean that the claimed 9% protected waters in Ireland's existing MPA network do not meet the international standards for any degree of effective protection.[7] Another problem is that there is currently a lack of clarity around which organisation is responsible for establishing and managing MPAs.

Given these shortfalls, the Government of Ireland has proposed new MPA legislation to parliament, which is expected to be signed into law in 2023. This legislation is a once-in-a-generation opportunity to transform the way Ireland conserves, protects and restores its seas and ocean.[8] The coming months present an opportunity for the Government to examine the funding needed to establish and manage MPAs to meet Ireland's 30x30 commitment, and the financing mechanisms necessary to support this.

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5 Marine Protected Area Advisory Group for the Department of Housing, Local Government and Heritage, Expanding Ireland's Marine Protected Area Network, October 2020
6 Fair Seas, Expanding Ireland's Marine Protected Areas – A Legal Handbook, December 2022
7 https://mpa-guide.protectedplanet.net/protection-level-decision-tree
8 Fair Seas, Expanding Ireland's Marine Protected Areas – A Legal Handbook, December 2022

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|---|---|---|---|---|---|---|---|---|
| Establishment costs | €2.3 - 8.9M | €0.6 - 2.3M | €0.6 - 2.3M | €0.6 - 2.3M | €0.6 - 2.3M | €0.6 - 2.3M | €0.6 - 2.3M | €0.0 – 0.0M |
| Management costs | €0.9 - 5.M | €1.8 - 10.6M | €2.2 - 12.8M | €2.6 - 14.9M | €3.0 - 17.1M | €3.4 - 19.4M | €3.8 - 21.6M | €4.0 - 22.4M |
| **Total** | **€3.2 - 14.8M** | **€2.4 - 12.9M** | **€2.8 - 15.1M** | **€3.2 - 7.2M** | **€3.6 - 19.4M** | **€4.0 - 21.7M** | **€4.4 - 23.9M** | **€4.0 - 22.4M** |

## Financing gap

Estimates suggest that Ireland may need to cumulatively spend ~€54.9 million (minimum €23.6M, maximum €124.8M)[9] between 2024 and 2030 to achieve its commitment to 30x30.[10] In 2024 specifically, Ireland may need to spend ~€7.0 million (€3.1-14.8M) in upfront establishment and management costs to achieve 10% of EEZ protection.[11] Once the 30x30 network is implemented, Ireland may need to continually spend ~€9.6 million (€4.0-22.4M) per year on average on annual management costs to maintain the 30% of EEZ network beyond 2030 (See exhibits 1.2 & 1.3).

Achieving 30x30 does not need to cost the Earth: ~€55 million over 7 years – starting with ~€7 million in 2024 – is a modest amount that is eminently achievable. Recent data shows Ireland's budget surplus in 2022 was 1.6% of GDP, amounting to €8 billion. The Government could consider dedicating some of these funds to MPAs.

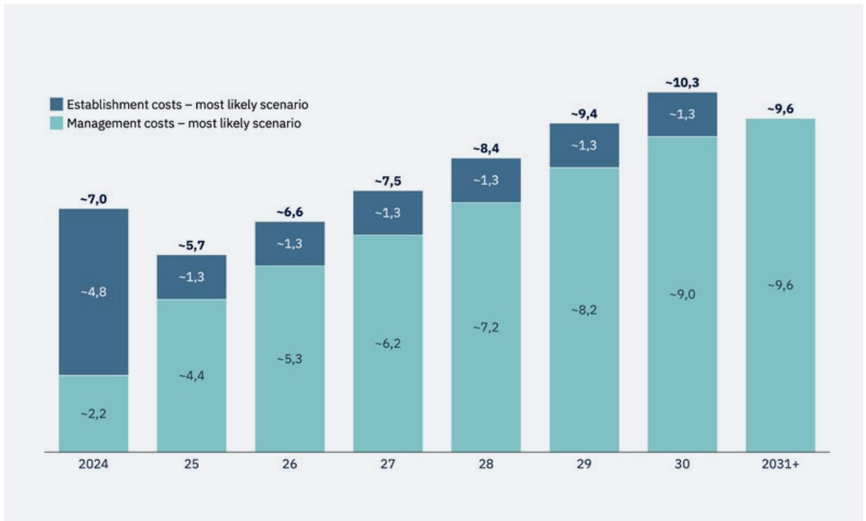


Exhibit 1.3: Estimated annual spend (€M) to establish and manage MPAs to achieve 30x30 in Ireland

9 Values are provided in the format of LIKELY (MIN, MAX). LIKELY represents the best and most realistic estimate, MAX represents the worst case (e.g., if need to heavily invest in new, long-range vessels instead of using existing vessels in Ireland), and MIN represents a low estimate, however, it may compromise on the quality of MPA management (e.g., using fewer staff to conduct the same surveillance tasks). Note: LIKELY is not necessarily the average or middle value of MAX and MIN.

10 See detailed methodology and assumptions in Section 3 of the full report.

11 Given that Ireland's current MPA network consists primarily of SPAs and SACs, and that these SPAs and SACs have historically not been well-managed due to lack of funding, for cost modelling purposes it is assumed that the cost of establishment is for the full 30% network, that is, from 0% to 30%, and not for the incremental amount starting from 9% (the SAC/SPA coverage in 2022) to 30%.



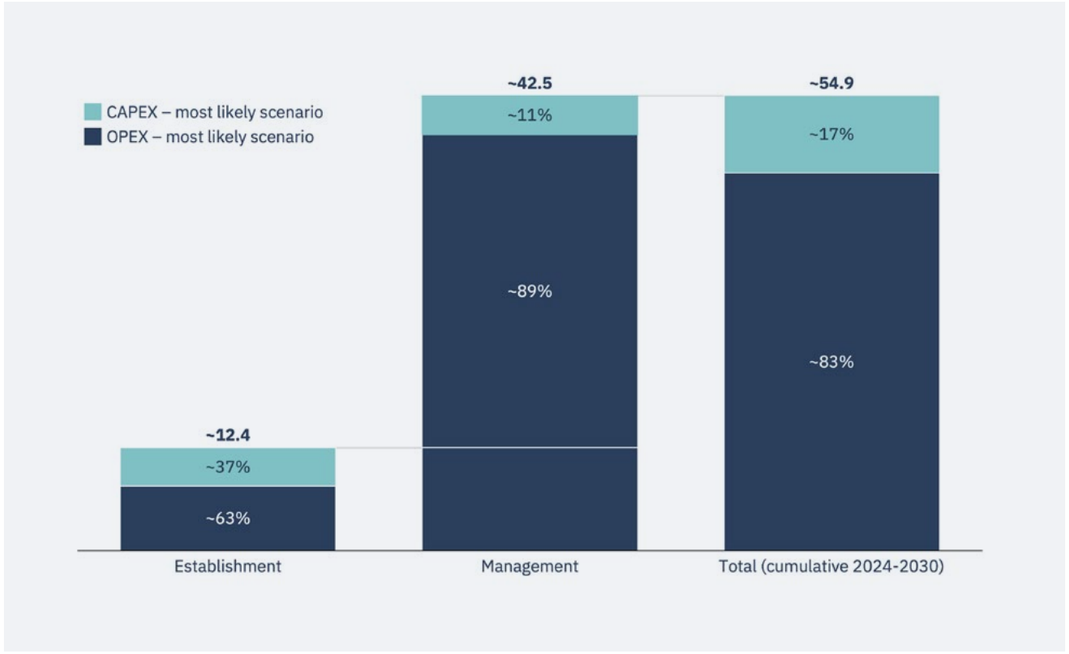


Exhibit 1.4: Breakdown of establishment and management (€M) costs into CAPEX and OPEX for cumulative 2024-2030 spend

Given that Ireland's ocean economy is estimated to have generated €4.98 billion in total revenues in 2021, and employment from Ireland's ocean industries is about 32,100 full-time equivalents, the relatively small amount needed to meet Ireland's marine protection goals is an investment that will quickly pay for itself.

Of the ~€54.9 million (€23.6-124.8M) cumulative total spend between 2024 and 2030, ~83% (~€45.6M [ €19.4-106.7M]) is expected to be operating expenditure (OPEX) costs and ~17% (~€9.4M [€4.3-18.1M]) is expected to be capital expenditure (CAPEX) investments (Exhibit 1.4). Of the *establishment* costs, ~63% is for initial OPEX required to designate and establish the MPA sites, and ~37% is for initial CAPEX required to enable effective MPA management. Of the *management* costs, ~89% is for continued OPEX required to manage the MPA sites, and ~11% is for continued CAPEX required to sustain effective MPA management.

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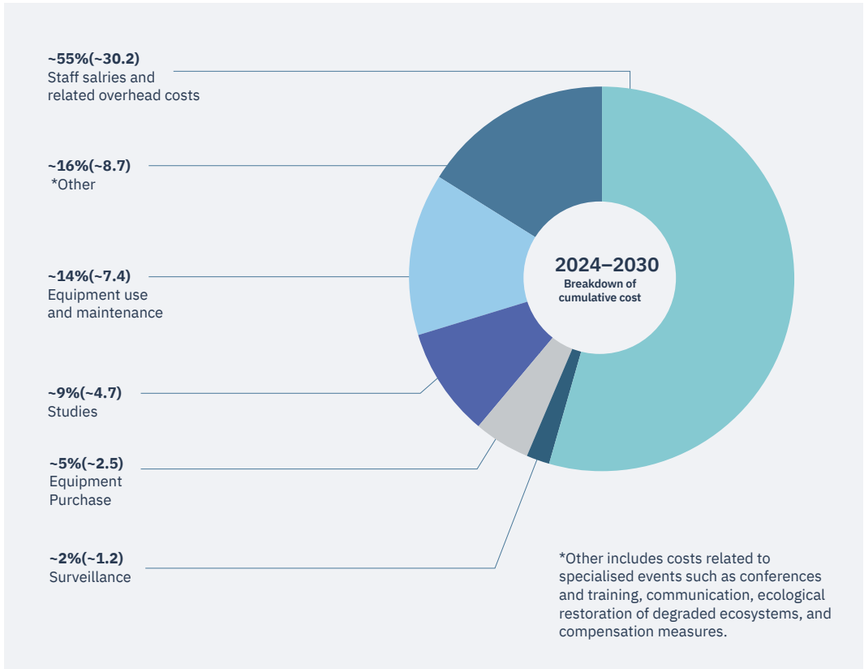


**Exhibit 1.5: Breakdown of cumulative 2024-2030 spend by major cost category, (% of total, (€M))**

The major cost categories for the ~€54.9 million (€23.6-124.8M) cumulative total spend between 2024 and 2030 are staff salaries and related overhead costs (~55%), equipment use and maintenance (~14%), scientific studies (~9%), equipment purchases (~5%), and surveillance (~2%) (Exhibit 1.5).

**Financing mechanisms**

To provide this funding, a shortlist of 19 relevant potential financing mechanisms was identified from among 60+ instruments. These mechanisms were categorised by instrument type into grants, revenue generating mechanisms, and debt based instruments.

- **Grant based mechanisms** include EU programmes (LIFE, EMFAF [EU Maritime, Fisheries, and Aquaculture Fund], Horizon Europe, Just Transition Fund, and Peace Plus Programme), institutional philanthropic grants, and private/individual donations.
- **Revenue generating mechanisms** include commercial activity based fees (e.g., on offshore wind energy production), public/individual fees (e.g., recreational fishing, tourism), ecosystem value based mechanisms (e.g., blue carbon, nature credits), and potential reallocations of funding (e.g., through reduced subsidies to the fishing sector).
- **Debt based mechanisms** include issuing additional green bonds through the Irish Sovereign Green Bond (ISGB), introducing blue, sustainability, or sustainability-linked bonds, or seeking investments from the European Investment Bank (EIB).



Many of these financing mechanisms may take a year or more to develop, requiring new legislation, a proposal application, or stakeholder buy-in (e.g., EU funding programmes, fees on offshore wind energy production). Other mechanisms, given their current level of technical/scientific maturity, are considered long-term opportunities to monitor and develop (e.g., blue carbon, nature credits).

Additionally, and in particular to meet immediate and short-term financing needs, the Government of Ireland can consider various non-marine related fiscal policy changes (beyond the scope of this report) to generate funds for MPAs. The mechanisms that are currently in the Government's direct control can provide funding for MPAs as soon as 2024 (e.g., annual budget allocations from Government revenues and funds from the ISGB).

There are two other potential financing strategies for the Government to consider when developing a holistic plan for the long-term sustainable financing of MPAs: (1) establishing an endowment to generate investment returns to fund MPA management operations, and/or (2) utilising the 'Project Finance for Permanence (PFP)' capital fundraising and deployment methodologies. Both of these financing strategies require initial capitalisation from the other mechanisms detailed above. However, once capitalised, both strategies have the potential to generate sustainable revenue streams for MPA management operations.

## NEXT STEPS

There are several possible next steps for the Government of Ireland to consider. In particular, there is a need to:

**1.** Define and establish the MPA Authority and the financial framework under which it will operate (e.g., an existing state agency that receives government funding), and then in parallel,

**2a**. Designate MPAs and outline required management activities, and

**2b.** Explore and pursue financing mechanisms with relevant stakeholders and interest groups.

Given the short timeline to 2030, it is imperative that the Government continues to act with great ambition and urgency.

## NOTES

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Co. Galway
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# FAIR SEAS

At Fair Seas, we seek to protect, conserve and restore Ireland's unique marine environment. Our ambition is to see Ireland become a world leader in marine protection, giving our species, habitats and coastal communities the opportunity to thrive.

Fair Seas aims to build a movement of ocean stewardship across Ireland that energises and empowers people, to advocate for ambitious and robust legislation, provide impartial scientific data and research, and propose a network of effective well-managed marine protected areas.

The Fair Seas campaign is led by a coalition of Ireland's leading environmental non-governmental organisations and networks.

Irish Whale and Dolphin Group

Coastwatch

streamscapes
the waters & the wilds

BirdWatch Ireland
protecting birds and biodiversity

Irish Wildlife Trust

Sustainable Water Network
SWAN

Irish Environmental Network

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