

ANNUAL REPORT 2021

Baa Atoll Conservation Fund

The year 2021 was an important year for the Baa Atoll Conservation Fund (BACF) and the Baa Atoll Biosphere Reserve, marking ten years since Baa Atoll was designated as a UNESCO Biosphere Reserve in 2011.

Despite the unprecedented challenges presented by the COVID-19 pandemic, BACF continued to support conservation, protected-area management, research, sustainable development and community initiatives throughout the year. Many planned activities had to be adjusted, postponed or conducted under significant operational restrictions. Nevertheless, through the commitment of government institutions, councils, resorts, dive operators, researchers, communities and other partners, important work continued.

A major milestone during 2021 was the undertaking of the **10-year Periodic Review of the Baa Atoll Biosphere Reserve**. The review assessed the progress, achievements and challenges of the Biosphere Reserve during its first decade and considered priorities for its future management and development. The review was supported by **ecological baseline studies undertaken between March and May 2021**. Despite the difficulties associated with COVID-19, the review process was completed and the report was submitted to **UNESCO on 27 September 2021**.

The year also saw continued management of the protected areas of Baa Atoll, with visitor access maintained under applicable restrictions and management measures. A total of **12,403 entries** were recorded across the Hanifaru, Mendhoo and Olhugiri regions. In addition, ten photography and videography permits were issued, while research activities continued in the Hanifaru area.

BACF also continued to support sustainable development within the communities of Baa Atoll. Two-bedroom apartment projects funded through BACF grants were completed in **Kudarikilu, Kamadhoo, Kendhoo, Kihaadhoo, Dhonfanu, Dharavandhoo, Maalhos, Eydhafushi, Thulhaadhoo, Goidhoo, Fehendhoo and Fulhadhoo**, providing an important community-level investment across the atoll.

Partnerships with the tourism and diving sectors also remained an important source of support for the Biosphere Reserve. During the year, **11 partnership agreements** were signed, comprising one resort and ten dive schools. These partnerships strengthened collaboration with the private sector and contributed to the continued management and promotion of Baa Atoll as a model of sustainable tourism and ecosystem conservation.

The Fund maintained sound financial management during this challenging period, ending 2021 with a running capital of **MVR 10,163,770.05**.

BACF extends its sincere appreciation to all government agencies, councils, resorts, dive schools, researchers, community organisations, development partners and individuals who contributed to the work of the Fund and the Baa Atoll Biosphere Reserve during 2021. Particular appreciation is extended to all those who continued their efforts under difficult circumstances and helped ensure that conservation and sustainable development activities could continue despite the COVID-19 pandemic.

Abdulla Shibau
Baa Atoll Conservation Fund

2. ABOUT THE BAA ATOLL CONSERVATION FUND

The Baa Atoll Conservation Fund (BACF) is a Trust Fund established on 18 April 2012 under the Public Finance Act (Act No. 3/2006) of the Republic of Maldives.

The Fund is governed by a Board of Directors and managed by the Fund Manager/Managing Director in accordance with its founding documents, Rules of Procedure and applicable laws and regulations.

The principal purpose of BACF is to co-finance activities that contribute to making Baa Atoll a world-class model of atoll ecosystem conservation, consistent with its designation as a **UNESCO Biosphere Reserve**.

BACF supports activities relating to:

- conservation of biodiversity and ecosystems;
- protected-area management;
- research and monitoring;
- environmental education and awareness;
- sustainable livelihoods;
- community development;
- sustainable tourism; and
- other activities contributing to the objectives of the Baa Atoll Biosphere Reserve.

The Fund supports activities that contribute to making Baa Atoll a world-class model of atoll ecosystem conservation and sustainable development, in accordance with its designation as a **UNESCO Biosphere Reserve on 28 June 2011**.

The year 2021 was particularly significant as it marked the **10th anniversary of the designation of Baa Atoll as a UNESCO Biosphere Reserve** and the completion of the Reserve's first ten-year Periodic Review.

3. COVID-19 and Adaptive Management

The year 2021 continued to present significant challenges as a result of the COVID-19 pandemic. Restrictions on travel and movement, disruptions to tourism, limitations on public gatherings and other public health measures affected the implementation of conservation, research, community engagement and sustainable development activities across Baa Atoll.

In response to these circumstances, BACF and its partners adopted a flexible and adaptive approach to programme implementation. Meetings, consultations and stakeholder coordination were increasingly conducted through virtual platforms, enabling continued engagement among the Ministry responsible for the environment, the Environmental Protection Agency (EPA), Baa Atoll Council, Island Councils, resorts, dive schools, researchers and other stakeholders while minimising health and travel risks.

A number of planned physical activities and field programmes were postponed, modified or cancelled where prevailing conditions did not permit their safe implementation. Activities that could proceed were undertaken in accordance with the applicable COVID-19 health measures and operational restrictions, with appropriate precautions put in place to safeguard participants and communities.

Despite these unprecedented challenges, the core functions of the Baa Atoll Biosphere Reserve continued to be maintained. Protected-area management, research, ecological monitoring, stakeholder coordination and priority community initiatives progressed where conditions permitted. The experience also highlighted the importance of adaptive management, effective stakeholder communication and flexible implementation mechanisms in maintaining the resilience and continuity of the Biosphere Reserve programme.

The continued commitment of BACF, government agencies, local councils, private-sector partners, researchers and communities ensured that the conservation and sustainable development objectives of the Baa Atoll Biosphere Reserve remained active throughout this challenging period.

4. COVID-19, Stakeholder Consultations and the 10-Year Periodic Review

The year 2021 continued to present significant operational challenges due to the COVID-19 pandemic. Restrictions on travel and movement, limitations on public gatherings and disruptions to tourism and community activities affected the implementation of programmes and stakeholder engagement across Baa Atoll.

Despite these challenges, considerable efforts were made to ensure that the 10-year Periodic Review of the Baa Atoll Biosphere Reserve was undertaken through a broad and inclusive consultation process. The review required engagement with key stakeholders involved in the management, conservation, research, sustainable development and governance of the Biosphere Reserve.

Consultations and coordination were undertaken with relevant government authorities, including the Ministry responsible for the environment and the Environmental Protection Agency, as well as the Baa Atoll Council, Island Councils, resorts, dive schools, researchers, community representatives and other stakeholders. These consultations provided an opportunity to assess the progress made during the first ten years of the Biosphere Reserve, identify challenges and lessons learned, and gather views on priorities for its future management and development.

Due to the prevailing COVID-19 situation, most of the meetings and consultations were conducted virtually. Online meetings and discussions became an important mechanism for maintaining stakeholder participation while reducing the need for travel and physical gatherings. This approach enabled stakeholders from different islands and organisations to participate in the review process despite the restrictions and logistical difficulties experienced during the period.

Where physical consultations or field activities were necessary and could safely be undertaken, they were carried out subject to the applicable health measures and operational restrictions. The review process therefore combined virtual consultations, stakeholder discussions, available documentation and field-based assessments to develop a comprehensive assessment of the Biosphere Reserve.

As part of the review, ecological baseline studies were undertaken between March and May 2021, providing important information to support the assessment of the environmental condition and conservation status of the Biosphere Reserve. The findings from these studies, together with information gathered through stakeholder consultations and existing programme records, contributed to the overall assessment of the Reserve's achievements, challenges and future priorities.

The review process also provided an important opportunity to strengthen communication among the different institutions and stakeholders involved in Baa Atoll's management. The extensive use of virtual platforms during the pandemic demonstrated the importance of maintaining flexible and adaptive approaches to stakeholder engagement, particularly for an island-based Biosphere Reserve where geographical distance and travel requirements can present additional challenges.

Despite the unprecedented circumstances, the 10-year Periodic Review was completed and submitted to UNESCO on 27 September 2021. Its completion represented a significant milestone for Baa Atoll, providing an important assessment of the first decade of the Reserve's designation and establishing a basis for strengthening conservation, sustainable development, research, education and stakeholder participation in the years ahead.

The successful completion of the review during the pandemic reflected the continued commitment and cooperation of government agencies, local councils, communities, tourism-sector partners, researchers and other stakeholders. Their participation ensured that, despite the limitations imposed by COVID-19, the review remained informed by the experiences and perspectives of stakeholders across Baa Atoll.

5. Protected-Area Management and Visitor Management

Protected-area management remained a key responsibility of BACF and the Baa Atoll Biosphere Reserve during 2021. Despite the continued disruption to international tourism and travel caused by the COVID-19 pandemic, visitor access to key protected areas was monitored and managed in coordination with the relevant authorities and stakeholders.

A total of **12,403 entries** were recorded across the three principal protected-area regions during the year, as follows:

Protected Area Region	**Entries**
Hanifaru Region	10,550
Mendhoo Region	744
Olhugiri Region	1,109
Total	**12,403**

The Hanifaru Region recorded the highest number of entries, with 10,550 visitors, reaffirming its importance as the principal visitor attraction and one of the most significant protected areas within Baa Atoll. The continued level of visitation, despite the substantial reduction in tourism during the pandemic, highlighted the importance of maintaining effective visitor management and conservation measures at Hanifaru.

Visitor access and activities within the protected areas continued to be managed in accordance with the applicable environmental regulations, management requirements and access procedures. Particular attention was given to ensuring that visitor activities were undertaken responsibly and did not adversely affect sensitive marine ecosystems and wildlife.

Management and monitoring were undertaken through continued coordination with the Environmental Protection Agency, the Ministry responsible for the environment, Baa Atoll Council, Island Councils, resorts, dive schools, tour operators and other relevant stakeholders. This coordination was essential in maintaining communication on visitor activities, protected-area requirements and emerging management issues, particularly during a period when tourism operations and travel arrangements were frequently affected by COVID-19 restrictions.

The pandemic also required greater flexibility in the implementation of protected-area management activities. Where physical monitoring, meetings or coordination were necessary, activities were undertaken subject to the prevailing health and safety requirements. Other coordination and administrative matters were facilitated through online communication, allowing the management of protected areas to continue despite restrictions on travel and physical gatherings.

The visitor figures for 2021 demonstrate the continued significance of Baa Atoll's protected areas as both conservation sites and destinations supporting sustainable tourism. Maintaining effective management of these areas remains essential to safeguarding their ecological values while enabling responsible visitor use and supporting the wider objectives of the Baa Atoll Biosphere Reserve.

6. PHOTOGRAPHY AND VIDEOGRAPHY PERMITS

During 2021, 10 photography and videography permits were issued for activities within the Biosphere Reserve/protected areas. The permitting process supported the controlled

use of protected areas for professional photography and videography while ensuring that activities were undertaken in accordance with applicable environmental requirements and management measures.

7. RESEARCH AND SCIENTIFIC ACTIVITIES

Research remained an important component of the management of the Baa Atoll Biosphere Reserve during 2021. Two research activities were undertaken in the Hanifaru area, contributing to the continued understanding of the area's ecological characteristics, marine ecosystems and conservation values. The findings and information generated through such research support evidence-based decision-making and strengthen the scientific basis for protected-area management and conservation planning. The research activities were coordinated with the relevant authorities and undertaken in accordance with the applicable environmental requirements and procedures governing research within the Biosphere Reserve.

8. PARTNERSHIPS WITH THE TOURISM AND DIVING SECTOR

Collaboration with the private sector remained an important component of BACF's work during 2021, with **11 partnership agreements** signed, comprising **one resort partnership and ten dive-school partnerships**. These partnerships strengthened cooperation between BACF and tourism-sector stakeholders and contributed to the objectives of the Baa Atoll Biosphere Reserve. The involvement of resorts and dive schools is particularly important given their direct interaction with visitors and marine ecosystems, enabling greater support for environmental awareness, responsible visitor management, conservation practices and the promotion of sustainable tourism throughout Baa Atoll.

9. COVID-19 AND PROGRAMME IMPLEMENTATION

The COVID-19 pandemic had a substantial impact on BACF's activities during 2021.

A number of planned physical programmes and stakeholder activities were cancelled, postponed or modified because of health and travel restrictions. Where activities were considered necessary and could safely proceed, they were implemented with appropriate precautions and restrictions.

The experience demonstrated the importance of flexible programme planning and alternative methods of stakeholder engagement.

Despite these challenges, BACF maintained essential financial, administrative and conservation functions and continued to support the management of the Biosphere Reserve.

10. COMMUNITY DEVELOPMENT and LIVELIHOOD

BACF continued to support community-level development through its grant programme during 2021. A significant achievement was the completion of **two-bedroom apartment projects funded by BACF grants in 12 islands**: Kudarikilu, Kamadhoo, Kendhoo, Kihaadhoo, Dhonfanu, Dharavandhoo, Maalhos, Eydhafushi, Thulhaadhoo, Goidhoo, Fehendhoo and Fulhadhoo. These projects

provided **direct and tangible benefits to the communities**, with the completed apartments serving as community assets contributing directly to local development and economic activity.

The investment demonstrates BACF's commitment to ensuring that communities benefit from the initiatives supported through the Fund, while complementing the wider conservation and sustainable-development objectives of the Baa Atoll Biosphere Reserve.

11. FINANCIAL PERFORMANCE

BACF maintained a positive financial position during 2021.The Fund began the year with a running capital of **MVR 8,364,595.52**

11.1 Income

Running Capital BACF end 2020	**8,364,595.52**
Income	
Sale of Hanifaru Access Permits	
Male' and Eydhafushi	2,556,180.80
BR Partnership Fees	
Resorts, Dives Schools and Liveaboards	123,360.00
Tour Guide Exam Registration Fees	
Male' and Eydhafushi	33,744.67
Photography and Videography permits	223,555.00
Others	
Total Income	**2,936,840.47**

BACF generated total income of **MVR 2,936,840.47**

The largest source of income was the sale of **Hanifaru Access Permits**, demonstrating the importance of sustainable visitor management and associated conservation financing within the Biosphere Reserve.

11.2 Expenditure

Expenditure		
BACF Management Costs		
Salary and Allowances		**752,363.12**
Transport		
Internal/Sea		20,000.00
Internal/Air	18,173.81	
Travel	138,600.00	
		176,773.81
OFFICE Management Costs		
Office Operation		**0.00**

Services for Office Operation	**0.00**
Office Equipment	**0.00**
Office Stationery	320.00
Meeting,Workshops and Seminars	3,000.01
Fuel	184,228.00
Miscellaneous Expenses	2,655.00
Priniting Costs	**0.00**
Advertisements and Announcements	**0.00**
Other Costs	200.00
	190,403.01
Maintenance	
BR Maintenance	**18,126.00**
Machinery and Equipent	
	18,126.00
Total Expenditure	**1,137,665.94**

Total expenditure during 2021 amounted to **MVR 1,137,665.94**

12. FINANCIAL POSITION

Financial Indicator	Amount (MVR)
Opening Running Capital	**8,364,595.52**
Total Income	**2,936,840.47**
Total Expenditure	**1,137,665.94**
Income Less Expenditure	**1,799,174.53**
Closing Running Capital	**10,163,770.05**

The Fund therefore recorded a positive income-to-expenditure balance of **MVR 1,799,174.53.**

The closing running capital at the end of 2022 was **MVR 10,163,770.05.**

This financial position provided BACF with a sound foundation for continued investment in conservation, protected-area management, research, education and community development.

The increase in running capital provides BACF with a stronger financial foundation to support future conservation, community and sustainable development initiatives within the Baa Atoll Biosphere Reserve.

13. CONCLUSION

The year 2021 represented an important milestone in the development of the Baa Atoll Biosphere Reserve.

The tenth anniversary of the designation provided an opportunity to reflect on the progress achieved during the first decade and to strengthen the foundation for the next phase of the Reserve.

The continued management of Hanifaru and other protected areas, development of local tour-guide capacity, ongoing research, partnerships with the tourism industry and

community-development projects demonstrate the continued integration of conservation and sustainable development across Baa Atoll.

The UNESCO Periodic Review provided an important framework for assessing these achievements against the objectives of the Man and the Biosphere Programme and for identifying areas requiring further development.

BACF continued to play a supporting role by providing financial resources for conservation, community development and other activities aligned with the objectives of the Biosphere Reserve.

With a closing running capital of **MVR 10,163,770.05**, the Fund ended 2021 with a strong financial base from which to continue supporting the long-term conservation and sustainable development of Baa Atoll.

The achievements of 2021 therefore provided an important foundation for the continued development of Baa Atoll as a model for integrated atoll ecosystem conservation and sustainable development.



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