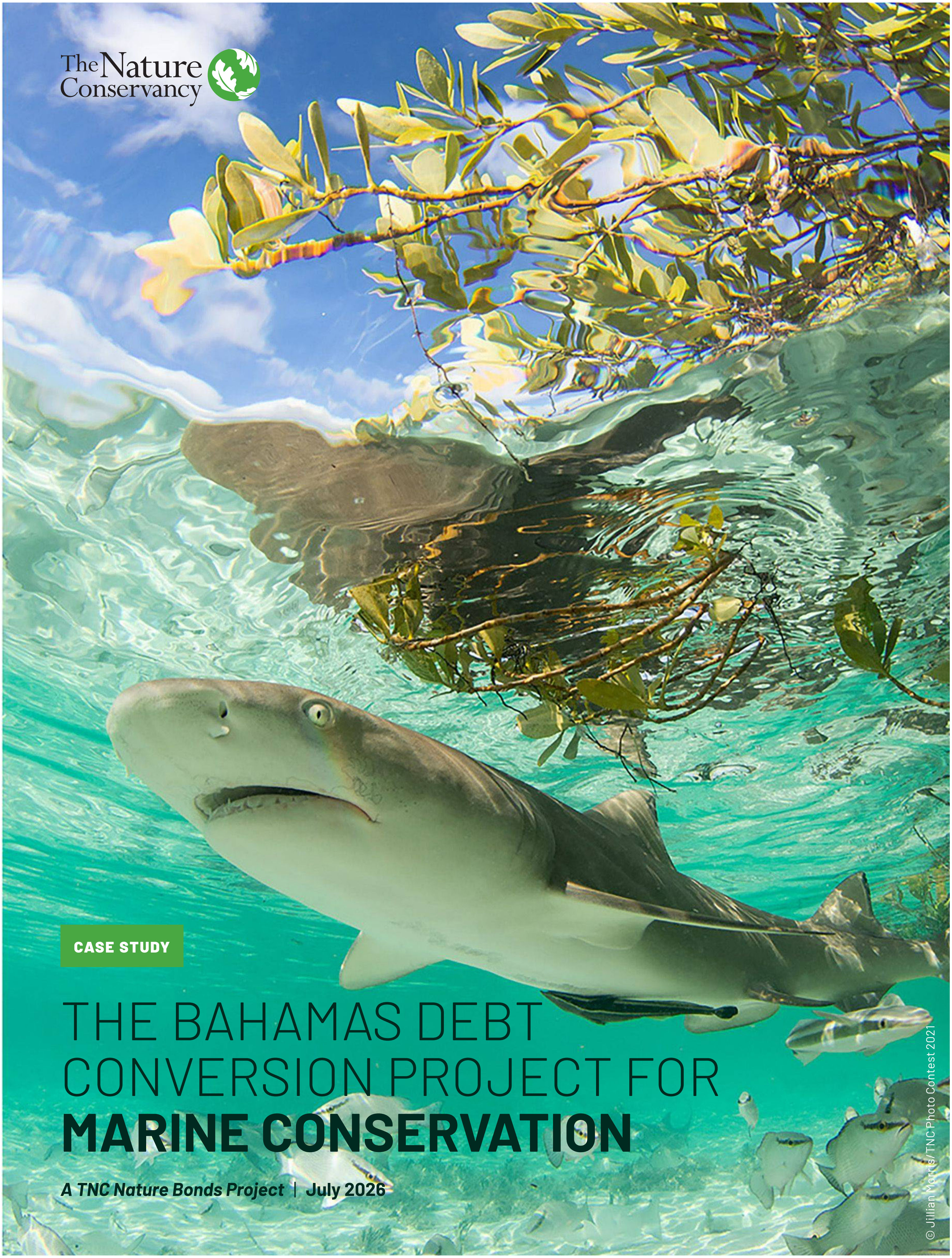


The Nature Conservancy

CASE STUDY

THE BAHAMAS DEBT CONVERSION PROJECT FOR **MARINE CONSERVATION**

A TNC Nature Bonds Project | **July 2026**

Contents

1. Executive Summary // 1

2. Background and Conservation // 3

3. Debt Conversion // 4

4. Conservation Funding Management // 6

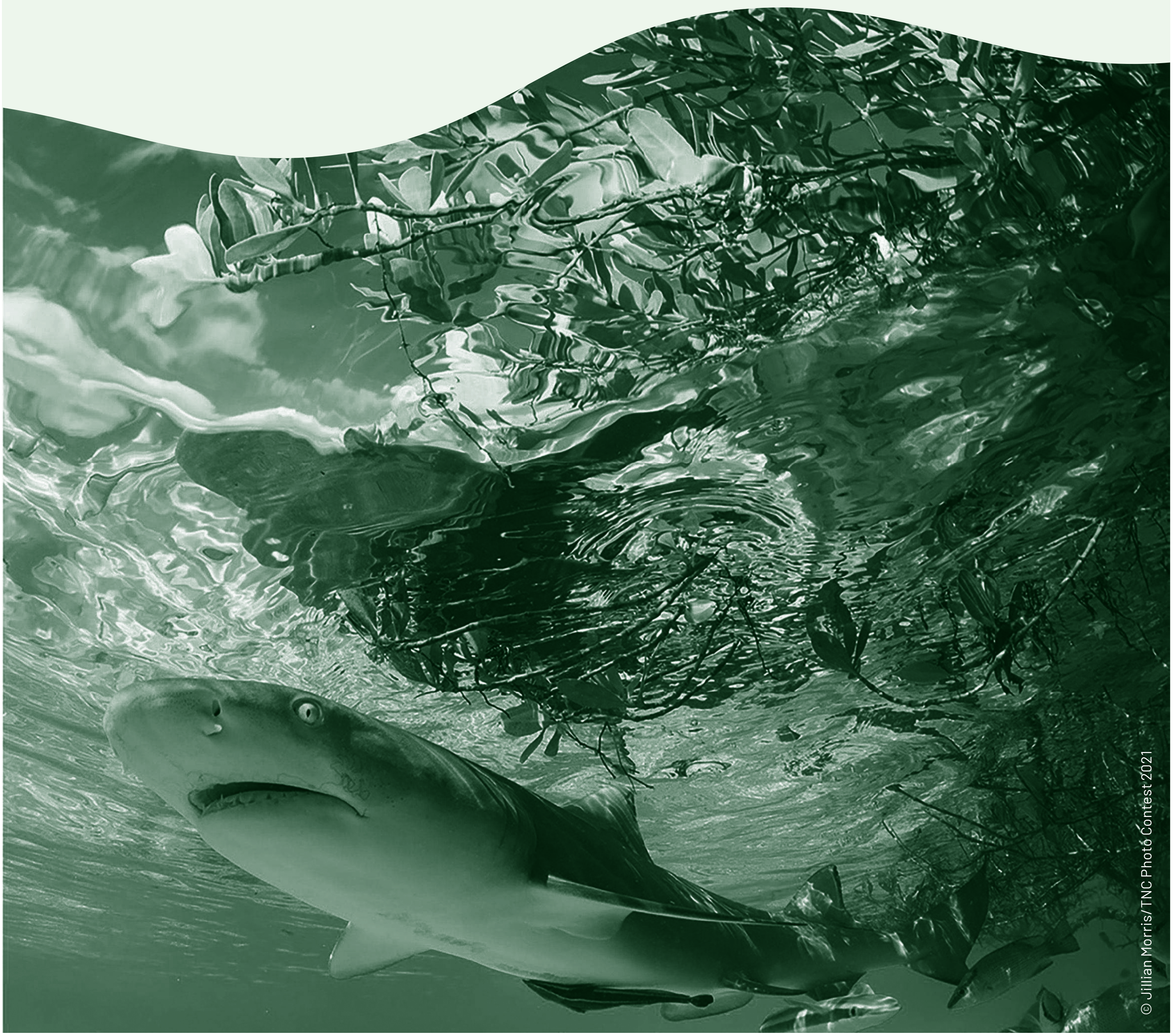
5. Innovation, Scale, and Replicability // 7

6. Awards // 7

7. Major Project Participants // 8

8. Philanthropic Support // 9

9. The Nature Conservancy's Nature Bonds Program // 9



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1. Executive Summary

In November 2024, the Government of The Bahamas (GoBH), together with The Nature Conservancy (TNC), the Inter-American Development Bank (the IDB), Builders Vision, AXA XL, and Standard Chartered, announced the financial close of The Bahamas Debt Conversion Project for Marine Conservation (the Project). This innovative Project refinanced USD 300 million of The Bahamas' external sovereign debt, creating funding to enhance ocean conservation and improve management of its marine protected areas (MPAs). The Project advances The Bahamas' previous efforts to expand protection of its nearshore environment, providing resources to help manage its 70 MPAs effectively to achieve goals for biodiversity conservation, sustainable livelihoods, and environmental health in collaboration with local communities.

The Project, facilitated through TNC's Nature Bonds Program, provided the government with lower-cost financing (4.7%) compared to The Bahamas' interpolated 10-year market yield at the time of financial close of ~8.8%. The Bahamas was able to tender its existing more expensive debt (average interest rate of ~7.8%) with funds from a new loan facility from Standard Chartered, co-guaranteed by the IDB (USD 200 million) and Builders Vision (USD 70 million) and credit-insured by AXA XL (USD 30 million). The IDB is a multilateral bank and a leading source of financing for the Americas. Builders Vision is a team of investors and philanthropists founded by Lukas Walton. AXA XL is an innovative global property, casualty, and specialty insurance carrier.

The savings will enable the GoBH to channel an estimated USD 132 million inclusive of estimated endowment return on investment into marine conservation over 15 years.

The conservation funding, including the endowment, will be managed by The Bahamas Protected Areas Fund (BPAF), an independent conservation trust fund (CTF) operating since 2014 as the national financial vehicle for the management of The Bahamas National Protected Areas System (BNPAS). The endowment will help sustain conservation funding beyond the Project's 15-year term.

In addition to improving management of the country's recently expanded MPA system, The Bahamas committed to completing and implementing a legally enforceable marine spatial plan (MSP) using global best practices to address increasing demands for the use of its ocean and minimize conflicting uses. The Bahamas also committed to completing a National Mangrove Management Plan to enhance carbon sequestration, coastal resilience, and biodiversity. TNC will provide technical assistance to support the government's leading role in implementing these activities, as well as strengthening the capacity of BPAF.

In 2025, the Project was recognized as Green Loan of the Year for the Americas by Environmental Finance and Latin American ESG Deal of the Year by Global Capital. Most recently, it was named the Impact Project/Investment of the Year: Oceans and Coastal Zones at the Environmental Finance IMPACT Awards.

Please note that the facts, figures, and statements in this document are believed to be valid as of July 2026 and may change over time.

Project "Firsts"

This Project builds on prior TNC Nature Bonds projects (Seychelles, Belize, Barbados, and Gabon) while also introducing several new aspects

Impact Investor Co-Guarantee and Private Insurer Provider

- Builders Vision provided a USD 70 million co-guarantee. This is the first time a private investor has provided credit enhancements alongside a multilateral development bank in the context of a sustainable debt issuance.
- Additionally, this is the first instance where a private insurer, AXA XL, directly provided a credit insurance policy (USD 30 million) alongside a multilateral for a sustainable debt issuance.

Management of Conservation Funding by an Existing CTF

- This Project involves BPAF, an existing independent conservation trust fund established by an Act of Parliament in 2014, with a proven track record and experience providing grant funding to the GoBH and non-governmental organizations. BPAF will manage and disburse the conservation funding generated by the Project according to international best practices and standards for transparency and accountability.

Loan Format

- For the first time in the Nature Bonds Program, the new debt comes in the form of a loan instead of a bond. Standard Chartered arranged and funded the entire USD 300 million amortizing facility.

Natural Disaster and Pandemic Event Clause

- This represents the first time a new financing by the GoBH features the inclusion of a Natural Disaster and Pandemic Event Clause, further advancing the government's climate resilience efforts and providing liquidity headroom in case of adverse climate or pandemic events. TNC and IDB pioneered this approach in the Barbados Nature Bonds project in 2022.

Climate-Smart MPA

- First Nature Bonds project with climate-smart MPA management plan commitments.
- Climate-smart MPA management plans include considerations related to the impacts to marine ecosystems, uncertainties, and resilience using internationally recognized best practice guidelines for MPA management plans including the application of the mitigation hierarchy (to avoid, minimize, mitigate, and offset impacts).

Key Metrics

Key Transaction Components

- The Bahamas repurchased:
  - i. USD 218.2 million across six different Eurobonds and
  - ii. a USD 81.3 million Bank Facility.
- Standard Chartered arranged a 15-year amortizing new loan facility with a principal of USD 300 million.
- The IDB (USD 200 million) and Builders Vision (USD 70 million) co-guaranteed the new loan facility; AXA XL (USD 30 million) credit insured the balance.
- The Bahamas directed 100% of its debt service savings to support the achievement of its marine conservation goals and commitments.

Key Conservation Funding

- USD ~112 million over 15 years of new cash funding, or USD 7.47 million per year, for the CTF and TNC's technical assistance.
- USD 12 million over 15 years of new cash funding for the endowment, which is expected to grow to an estimated balance of USD 20 million by 2039, generating approximately USD 8 million in investment returns.
- Expected total funds unlocked for conservation: approximately USD 132 million.

Key Conservation Impact

- Single largest funding initiative for effective ocean management in The Bahamas, including capacity building and technical support.
- Improved management of the country's recently expanded MPA system, including protected area management effectiveness assessments and the development and implementation of climate-smart MPA management plans.
- Completion of a National Mangrove Management Plan to enhance carbon sequestration, coastal resilience, and biodiversity conservation.
- Completion and implementation of an MSP using a transparent, inclusive, equitable, science-based, and participatory process to address increasing demands for use of The Bahamas' ocean and minimize conflicting or incompatible uses.

New Loan Facility

- New Loan Facility: USD 300 million.
- New Loan Maturity: 2039 (10-year Weighted Average Life (WAL)).
- Loan Facility Interest Rate: 4.70%.
- All-in Cost: 5.46% (inclusive of credit enhancement fees).
- Option to defer up to two years of principal payments during a natural disaster or pandemic event.

2. Background and Conservation

Background

In 2016, TNC and partners embarked on a three-year initiative called Bahamas Protected, supporting the government's commitment to protect 20% of its nearshore marine environment by 2020. By the end of 2021, The Bahamas had expanded its National Protected Area System, which now includes 70 MPAs spanning nearly 6.8 million hectares (ha) equaling 17.3% of the nearshore environment (or 10.9% of The Bahamas' total ocean area). Despite this progress, not all of the MPAs have reached final legal designation status and many lack MPA management plans, financial resources, and technical capacity necessary to achieve their intended conservation goals. Recognizing these challenges, in 2022, the GoBH partnered with TNC, BPAF, the Bahamas National Trust (BNT), and others to co-develop a marine conservation program including commitments designed to fill many of the gaps identified. Established by an Act of Parliament in 1959, the BNT is a local non-profit, non-government organization dedicated to effectively managing national parks to conserve and protect Bahamian natural resources. It currently manages 33 national parks, which include many MPAs.

Improving management of the existing MPA system will set the stage for the launch of a national-scale MSP process that will enable The Bahamas to fulfill its goals for improved management of the country's entire ocean space to the limit of its Exclusive Economic Zone (62.1 million ha) by delivering increased resources, technical support, and capacity building. TNC's Nature Bonds Program will support The Bahamas in achieving its commitments for the duration of the Project.

As part of the Project, The Bahamas also memorialized its aspiration to complete six additional non-binding conservation undertakings that recognize the need to balance the development of The Bahamas' economy with the social, economic, and environmental needs of a healthy and biodiverse ocean.

Goals

The Project aims to improve conservation and management of The Bahamas' ocean to help protect the second-largest coral reef area in the Atlantic Ocean, extensive seagrass meadows, and mangrove forests, all of which provide critical habitats for diverse species, protect coasts from storms, and sustain local livelihoods. It also seeks to promote the sustainable growth of The Bahamas' blue economy while supporting the BNPAS.

The GoBH's Conservation Commitments & Milestones

Conservation commitments are outcomes that the government agrees to pursue through a Nature Bonds project. Key outcomes of The Bahamas' Project include:

- Improved management of The Bahamas' existing MPAs, inclusive of completing zoning and climate-smart[1] management plans.
- Completion of a National Mangrove Management Plan. This is crucial for carbon sequestration, coastal resilience, and biodiversity.
- Completion and implementation of a legally enforceable multi-objective MSP, following global best practices and could also include Other Effective Area-based Conservation Measures[2] (OECMs).

Conservation commitments include *milestones* that are legally binding and *general conservation undertakings* that are aspirational but not legally binding. All 11 milestones are due to be completed over a 15-year period.

Milestones are specific, measurable, outcome-based, and time-bound, similar to key performance indicators. The government may request up to two six-month grace periods for the completion of any milestone. Delays in achieving a milestone, beyond approved grace periods, may result in incremental payments by the GoBH. Incremental payments for missed milestones are set aside in an escrow account and not paid to the lender. When a milestone is ultimately met, escrowed funds are returned to the GoBH. If a milestone is never met, the funds are directed to the conservation fund, BPAF. Failure to meet certain milestones beyond approved grace periods or failure to make conservation and endowment funding payments may result in an event of default for the loan facility. TNC monitors progress towards the government's achievement of the conservation commitments and provides validation for annual progress and milestone reporting.

TNC's Role in Implementation

For the duration of the Nature Bonds project, TNC provides technical assistance to support project administration and support to the government for the completion of the conservation commitments. TNC's role includes transaction management, compliance and reporting support, capacity building and knowledge transfer, and technical assistance and guidance on global standards and best practices. Among other tasks, TNC will track progress toward milestones, review and validate annual conservation and milestone

1 Climate-smart MPA management plans include considerations related to the impacts to marine ecosystems, uncertainties, mitigation hierarchy (avoid, minimize, mitigate impacts), and resilience using internationally recognized best practice guidelines for MPA management plans.

2 OECMs are geographically defined sites other than MPAs that are governed and managed in ways that achieve positive and sustained long-term outcomes for biodiversity conservation, with associated ecosystem functions and services, and, where applicable, cultural, spiritual, socioeconomic and other locally relevant values. The IUCN 2024 guidebook provides examples.

reports, and monitor financial and impact performance and counterparty compliance with transaction agreements.

TNC also provides capacity-building support throughout the term of the project to the CTF and to the government to complete the conservation commitments in a way that is consistent with global standards and best practices. Examples of support to the CTF include reviewing processes, procedures, and policies as part of conservation funding management and providing specific trainings on these topics.

Examples of technical assistance and advice that TNC may provide at the request of the government to support completion of the conservation commitments include assisting with work plan development; identifying key roles needed for the MSP process and supporting recruitment; capacity building for climate-smart MPA management planning; ensuring environmental and social safeguards are incorporated into stakeholder engagement activities; selecting and working with data management, participatory planning, and decision-support tools such as SeaSketch and Marxan.

TNC will also serve on the CTF Board and may serve on the MSP Steering Committee or Core Team upon request from the government.

Partners' Involvement in Conservation Program Design

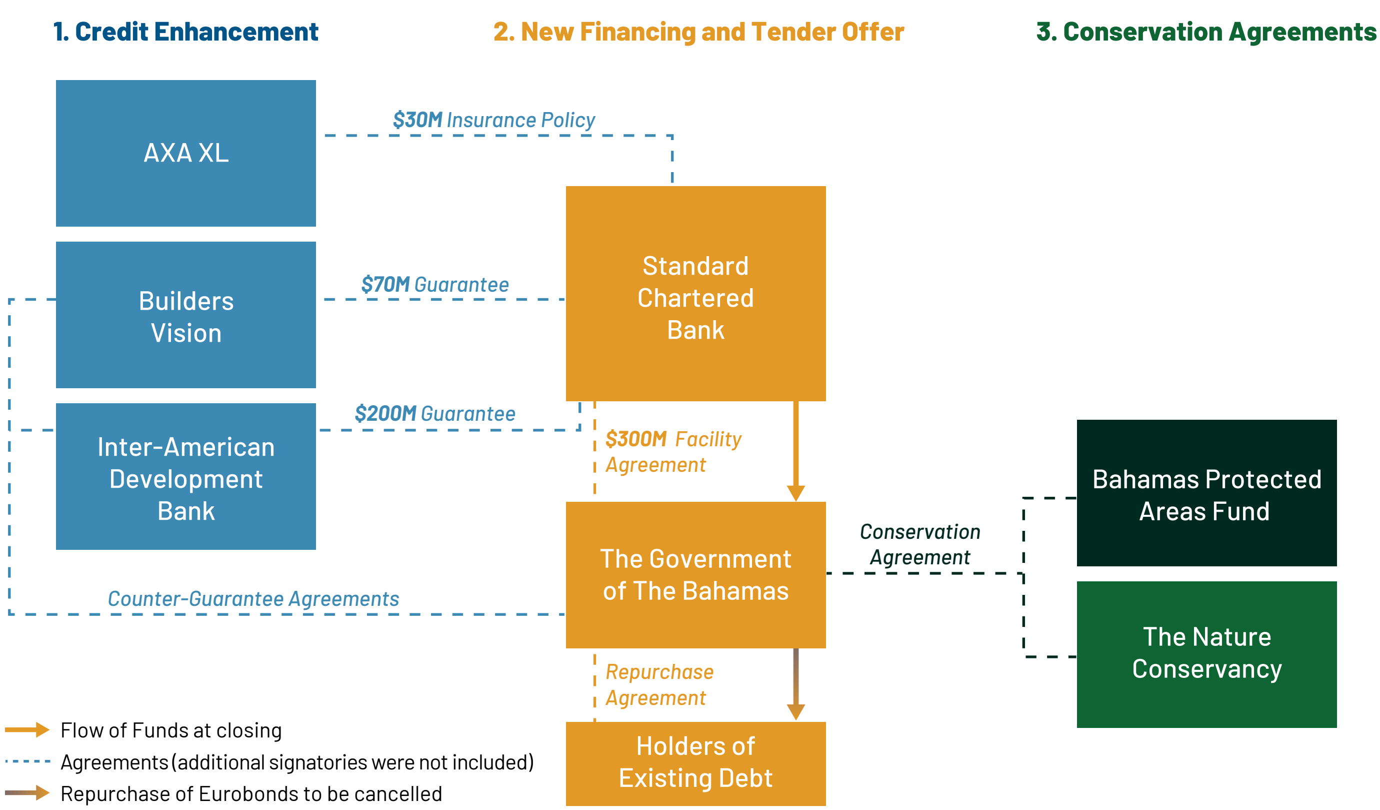
Several agencies and organizations collaborated to co-develop the conservation scope and commitments of this Project, and their contributions will inform and guide Project implementation. Specifically, the Office of the Prime Minister; Ministry of Environment and Natural Resources (Department of Environmental Planning & Protection and Forestry Unit); Ministry of Agriculture & Marine Resources (Department of Marine Resources); and BNT played integral roles.

3. Debt Conversion

Transaction Structure

The debt conversion followed a similar approach to prior TNC Nature Bonds projects where new financing, supported by a series of credit enhancements, allows a sovereign issuer to obtain funds on more favorable terms than what could otherwise be achieved in the market. The funds raised are then used to refinance or repurchase pre-existing, more expensive sovereign debt. In this case, 100% of the debt service savings achieved by the GoBH are channeled through a Conservation Agreement into a CTF that receives, manages, and disburses it according to certain agreed criteria and goals. Figure 1 shows the interplay of the key legal agreements in the Project structure.

Figure 1: Debt Conversion Diagram for The Bahamas



The New Loan[3]

For the first time in the Nature Bonds program, the new debt came in the form of a loan instead of a bond. Standard Chartered arranged and provided a USD 300 million commercial loan to The Bahamas (the Loan). This Loan has a 15-year tenor (WAL 10 years) and carries a fixed rate of 4.70% (equivalent at closing to U.S. 10-year + 43bps). This interest rate was significantly lower compared to The Bahamas unsecured cost of financing at the time of closing of ~8.8% as implied by its publicly traded sovereign bonds and lower than the average interest rate of the tendered securities (~7.8%). This lower rate was achieved through credit enhancements that cover 100% of the Loan principal.

Use of USD 300 million Loan proceeds:

- Tender: USD 297 million was used by the GoBH towards the repurchase of pre-existing debt. GoBH conducted a tender offer that resulted in the repurchase of a portion of six different Eurobonds and repaid a bank facility.
- Other transaction costs: USD 3 million.

See below the full breakdown for the use of proceeds.

Table 2: Use of Proceeds Breakdown

EUROBOND / BANK FACILITY	PRINCIPALS TENDERED (USD MILLION)	PRICE (CENTS)	PROCEEDS USED (USD MILLIONS)
6.000% 2028 Eurobond	141	97.50	137
9.000% June 2029 Eurobond	24	106.25	26
6.950% November 2029 Eurobond	26	97.25	25
8.950% 2032 Eurobond	23	103.50	24
6.625% 2033 Eurobond	1	87.63	1
7.125% 2038 Eurobond	4	86.00	3
USD 81.3 million Bank Facility	81	100.00	81
TOTAL—Tender Proceeds	**300**	**99.16**	**297**

Standard Chartered Bank is a leading international banking group, with a presence in 54 of the world's most dynamic markets. Standard Chartered's purpose is to drive commerce and prosperity through its unique diversity, and its heritage and values are expressed in its brand promise, here for good. Standard Chartered PLC is listed on the London and Hong Kong stock exchanges.

Credit Enhancements

The new Loan described above is fully wrapped with three layers of credit enhancements that cover the full amount of the principal:

1. USD 200 million unsecured credit guarantee from the IDB (AAA),
2. USD 70 million collateralized guarantee from Builders Vision (unrated), and
3. USD 30 million credit insurance from AXA XL (AA-).

The amount covered by the credit enhancement providers will decline in line with the amortization of the new loan facility with AXA XL and Builders Vision exposure reducing first.Additionally, if the credit enhancements are called, the IDB's guarantee is exhausted first, Builders Vision guarantee is exhausted second, and AXA XL's

3 The loan structure does not necessitate a credit rating.

credit insurance policy is exhausted last. The weighted average cost of credit enhancements for the GoBH is approximately 76 bps per year.

- The **IDB** has been a leading participant in the debt conversions space, providing a range of credit enhancements on three of TNC's six projects—Barbados, The Bahamas, and Ecuador's Biocorredor Amazónico Program—and, as of December 2025, supporting two other impactful debt conversions: Ecuador's Galapagos program and a second Barbados swap. In addition to financial support, the IDB is helping The Bahamas develop institutional strengthening policies for environmental and public debt management. This will aid The Bahamas in the implementation of the Project and improve macroeconomic stability and the country's debt management capabilities.
- **Builders Vision** is a team of investors and philanthropists harnessing innovative capital, from grantmaking to market-rate investments, to accelerate promising solutions in three sectors: food and agriculture, energy, and oceans. The organization seeks to grow and transform markets that will generate financial returns and sustainable outcomes and collaborates with entrepreneurs, innovators, and investors who are driving us forward to a more resilient future.
- **AXA XL** is a leading private insurer in supporting debt conversions for nature, including on several previous TNC-sponsored projects. The company is again playing a leading role in this innovative transaction, the first ever example of a private carrier providing credit insurance alongside multilateral guarantees, resulting in a fully wrapped issuance for the lender.

Conservation Funding Unlocked

The interest rate compression between the new Loan (~5.5% - all-in cost of the Loan and credit enhancements) and the repurchased debt (~7.8% - average carrying cost of the tendered bonds and the Bank Facility) allowed the GoBH to obtain fiscal savings that totaled USD 87.3 million in present value terms and USD 124 million in nominal terms. The GoBH is allocating 100% of the savings or USD 124 million into the CTF over the next 15 years (USD 8.24 million per year) through the Conservation Agreement. The endowment is projected to generate returns of USD 8 million by 2039, bringing the total estimated funds unlocked for the Project to $132M in nominal terms.

4. Conservation Funding Management

The Conservation Trust Fund

The Bahamas Protected Areas Fund is an existing independent CTF in The Bahamas that will receive, manage, invest, and disburse the conservation funding generated through this Project. This is the first Nature Bonds project in which the CTF is an existing organization and not one that is newly created as part of a project.

BPAF, established by an Act of Parliament in 2014 and amended in 2019 and 2025 to comply with higher independence requirements from international donors, is registered as a non-stock, non-profit corporation. Following international best practices for CTFs, BPAF is an independent legal entity with a majority of non-government members on its board of directors, which consists of a maximum of 11 members: five appointed by government and six non-government representatives, including one from TNC, one from Bahamas National Trust, and four others appointed by the board.

BPAF supports dedicated, long-term financing for the BNPAS. As such, both government and non-governmental actors with the mandate and experience to support protected areas—including non-profit organizations, community-based organizations, and academia—are eligible to apply for Project-related funding. A portion of the funding is for government agencies to carry out the conservation commitments. Funding for non-government grantees must also be aligned with the Project goals. BPAF will monitor all grantee projects and track their results and impacts.

BPAF was selected to support the Project due to its track record of good governance and successful experience providing funding to the GoBH and non-government grantees, particularly after Hurricane Dorian; USD 1.4 million in grant funding had been distributed before the Project started. Those grants have supported projects such as coral disease recovery research, MPA management and enforcement, forest recovery on Grand Bahama, and community-based mangrove restoration training.

BPAF, TNC, and the IDB have designed a capacity action plan to help support BPAF in the implementation of the Project. As part of the Conservation Agreement, the GoBH made a first initial payment (January 2025) to BPAF of BSD 400,000 to support this action plan. The IDB's Technical Cooperation funding supports both the capacity action plan and the CTF, through specific consultancies to update BPAF's grants framework and operations manual. It also supports the development of an operations manual for the Project and the development of a monitoring, evaluation, and learning (MEL) framework at both institutional and project levels.

Breakdown of CTF Funding

Find below the breakdown of the annual conservation funding of USD 8.24 million:

- **USD 7.47 million annually** to support ongoing marine conservation efforts, including funding for BPAF's current operations as well as TNC's technical assistance.
- **USD 0.77 million annually** to capitalize an endowment expected to generate returns of ~USD 8 million over 15 years, with a projected value of ~USD 20 million by 2039. This approach is designed to ensure continuity of funding beyond the loan's maturity.

As of July 2026, The Bahamas is making sufficient progress toward meeting the first milestones in its conservation commitments under the Project.

5. Innovation, Scale, and Replicability

This Project offers a model for sustainable conservation and resilience outcomes.

1. **Scale and Impact:** Following TNC-led debt conversions in Seychelles (2016), Belize (2021), Barbados (2022), and Gabon (2023), and preceding Ecuador's Biocorredor Amazónico Program in December 2024, this initiative underscores the feasibility of large-scale debt conversions for conservation and resilience. Through six projects, TNC has facilitated the refinancing of USD ~3 billion in sovereign debt at reduced costs, raised USD 2 billion of new sustainable issuances, and generated approximately USD 1 billion for conservation across marine, terrestrial, and freshwater biomes. The Bahamas debt conversion, akin to those of Gabon, Barbados, and Belize, focused on refinancing costlier external sovereign debt on a completely voluntary, willing-buyer/willing-seller basis. The Nature Bonds strategy utilizes scalable capital market-based approaches, avoiding the need for negotiating debt write-offs with bilateral creditors, which often hinge on uncertain political will. The Project exemplifies how TNC's Nature Bonds Program can provide conservation finance access to countries not in debt distress but facing high market rates, a common scenario for many developing nations today.
2. **Use of Private Guarantees and Insurance:** This Project is the first to feature a private investor, Builders Vision, providing a co-guarantee alongside a multilateral development bank. It is also the first instance where a private insurer, AXA XL, has directly credit-insured a sustainable debt issuance alongside a multilateral. By combining private guarantees and insurance with a public-sector cornerstone guarantee, the Project introduces a new approach to securing favorable loan terms, moving beyond complete reliance on public-sector credit enhancement. The public sector (the IDB in this case) plays a pivotal role in de-risking the transaction and crowding in co-guarantors/co-insurers. The structure builds on the pioneering role of TNC's co-guarantee in Barbados. This collaboration among TNC, Multilateral Development Banks (MDBs), private investors, and insurers creates new opportunities for financing nature in the Global South.
3. **Natural Disaster and Pandemic Clause:** This transaction includes both a natural disaster and a pandemic clause, both first introduced in Barbados. Barbados included natural disaster clauses in their Eurobonds and then the Barbados Nature Bonds project included a pandemic clause in addition to the natural disaster provision. Following the occurrence of a qualified natural disaster or a pandemic event, The Bahamas can defer up to two years of principal payments of the new facility. These provisions illustrate how innovation and adaptability in sovereign debt terms can become the new standard and help countries be more resilient to external shocks.

6. Awards

The project received extensive recognition from market participants across multiple categories.

- **Environmental Finance—Sustainable Debt Awards 2025**
  Green Loan of the Year (Americas)
- **Global Capital—Latin America Bond Awards 2025**
  Latin America ESG Deal of the Year
- **Environmental Finance IMPACT Awards 2025**
  Impact Project/Investment of the Year: Oceans and Coastal Zones

7. Major Project Participants

This Project was made possible through the strong collaboration of many partner organizations and individuals who committed their creativity, energy, and resources to close this landmark transaction.

Special thanks to the IDB, Builders Vision, and AXA XL for their leadership in partnering with TNC and setting the path for future private investors and insurance companies to actively participate in the credit enhancement of impactful conservation-first, large-scale projects.

Table 3: Project Participants

ROLE	ENTITY
Lead Country Partner	Government of The Bahamas[4]
Conservation Trust Fund	Bahamas Protected Areas Fund
National Parks / Protected Areas Manager	Bahamas National Trust
Sustainability Structuring Advisor, Facilitator, and Conservation Advisor	The Nature Conservancy
Guarantor	Inter-American Development Bank
Co-Guarantor	Builders Vision
Private Insurer	AXA XL
Sole Structuring Bank, Lender, and Dealer Manager	Standard Chartered
Financial Advisor to The Bahamas	Rothschild & Co.
Legal Advisor to the IDB	Norton Rose Fulbright LLP
Legal Advisor to Standard Chartered	Clifford Chance LLP
Legal Advisor to The Bahamas	Hogan Lovells LLP
Legal Advisors to TNC	A&O Shearman
Legal Advisor to Builders Vision	DLA Piper LLP
Local Counsel to BPAF	Callenders & Co
Local Counsel to Standard Chartered	Graham Thompson Attorneys
Local Counsel to TNC	Lennox Paton

4 Including, but not limited to, the Ministry of Finance, Office of the Prime Minister, the Department of Environmental Planning and Protection, the Forestry Unit, and the Department of Marine Resources.

8. Philanthropic Support

Philanthropy is instrumental in supporting innovative conservation strategies that allow TNC to assist countries in achieving large-scale, durable protection and access significant long-term funding through debt conversions. Through their support for the Nature Bonds Program, many supporters made this Project possible, including the Becht Foundation, Lyda Hill Philanthropies, TED Audacious Project, and Jeff and Laurie Ubben. Special thanks to A&O Shearman who has provided invaluable pro-bono legal counsel to TNC on all of our Nature Bonds projects to date.

9. The Nature Conservancy's Nature Bonds Program

TNC is a global conservation organization dedicated to conserving the lands and waters on which all life depends, supporting work in 83 countries and territories (39 by direct conservation impact and 44 through partners). TNC's Nature Bonds Program is an innovative, transformative initiative working with countries to address economic challenges, protect nature at scale, support climate adaptation and mitigation, and benefit people.

1. **Conservation Goal Setting:** TNC collaborates with governments to identify conservation priorities, aligning with national commitments under their National Biodiversity Strategies and Action Plans (Global Biodiversity Framework) and Nationally Determined Contributions (Paris Agreement). TNC partners with stakeholders to develop clear, ambitious, and time-bound conservation commitments aimed at protecting and managing land, fresh water, and oceans.
2. **Debt Conversion:** TNC partners with development finance institutions, multinational development banks, and investment banks to arrange debt conversions, offering better terms than countries could secure on their own. The unlocked funds are directed toward long-term, reliable conservation efforts.
3. **Conservation Trust Fund Management:** TNC collaborates with local stakeholders and rightsholders to expand the capacity of an existing CTF or set up a new independent CTF to manage and allocate the project funds in line with national conservation priorities.
4. **Conservation Implementation:** Following the debt conversion, TNC assists countries in developing, designing, and implementing projects that support communities, protect nature, and maintain healthy ecosystems.
5. **Accountability and Transparency:** TNC determines governmental compliance with milestones and conservation reporting requirements. The CTF also releases periodic reports on the impact and financial outcomes.

Program Background. The Bahamas Debt Conversion Project for Marine Conservation is the fifth project made possible by TNC's Nature Bonds Program, joining Seychelles (2016), Belize (2021), Barbados (2022), and Gabon (2023). As of the date of release of this case study, TNC helped the Republic of Ecuador launch a sixth Nature Bonds project in support of Ecuador's Biocorredor Amazónico Program (December 2024).