

FISCAL SPONSORSHIP AGREEMENT

THIS FISCAL SPONSORSHIP AGREEMENT (this “**Agreement**”) is made and entered into on the date of its full execution (the “**Effective Date**”), by and between The Tenure Facility Fund, a Delaware nonprofit nonstock corporation (“**Sponsor**”), and the Marine Tenure Facility (the “**Project**”) acting through its Steering Committee.

RECITALS

WHEREAS, Sponsor is qualified for exemption from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and further classified as a publicly supported public charity within the meaning of Code Sections 509(a)(1) and 170(b)(1)(A)(vi);

WHEREAS, Sponsor furthers its charitable purposes by supporting efforts that strengthen communal tenure rights to land, territories and resources of Indigenous Peoples and local communities;

WHEREAS, Sponsor has determined that it will further its charitable purposes to act as the fiscal sponsor for the Project, the purposes, activities, and operations of which are described on the attached Exhibit A;

WHEREAS, fiscal sponsorship generally refers to the practice of Code Section 501(c)(3) organizations providing fiduciary oversight, financial management, and other services to groups or projects that further the missions of the sponsoring nonprofit organization and do not have their own Code Section 501(c)(3) organization;

WHEREAS, fiscal sponsorship programs offer significant value to charitable groups or projects for which it is not practical, cost effective and/or desirable to establish and maintain a separate Code Section 501(c)(3) organization, and for which a fiscal sponsor provides an attractive and reasonable alternative that enables the group or project to share a common administrative platform in an efficient and economic manner;

WHEREAS, the parties understand that as a direct project model fiscal sponsorship, the Project will be part of Sponsor, with Sponsor maintaining full discretion and control over all funds raised in support of the Project and that the Project is not a separate entity;

WHEREAS, Sponsor and the Project hereby agree to establish a fiscal sponsorship and relationship according to the procedures and practices set forth herein;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Project Steering Committee.

a. Steering Committee. The Project shall maintain a Steering Committee (the “**Committee**”). The Committee is initially comprised of the individuals identified on the attached Exhibit B.

b. Role and Responsibilities. The Committee shall manage the program activities of the Project, which shall include naming and overseeing one or more Project leads. The Committee, or its delegated representative, shall develop the goals, objectives, and activities of the Project; shall keep Sponsor informed of its activities, including any planned fundraising efforts or grant applications; and shall secure and deploy funds for the Project, subject at all times to the ultimate direction and control of Sponsor’s Board of Directors; provided, however, that the Committee may act independently for purposes of determining whether to terminate this Agreement. The Committee must abide by all of the terms of this Agreement and shall not carry out activities unrelated to the Project.

c. Procedural Matters. The Committee shall operate in accordance with such procedures as it shall develop and may amend from time to time; provided, however that the Committee must: (i) if requested by Sponsor, allow a representative of Sponsor to attend all or some portion of Committee meetings; and (ii) keep Sponsor apprised of its membership and its current operating procedures. The Committee may designate a delegated representative to communicate with Sponsor and otherwise act on behalf of the Committee with respect to its obligations under this Agreement. In the event that the Committee dissolves or abandons its operations, Sponsor may appoint a new committee to manage the Project.

2. Fiscal Sponsorship. During the term of this Agreement, Sponsor shall operate the Project under a direct project model fiscal sponsorship as further described below.

a. Identification. The Project shall be identified as a project of Sponsor.

b. Project Activities. The Project and its activities shall be considered the activities of Sponsor. All aspects of the Project, including soliciting, processing, and acknowledgment of cash and noncash contributions, management of accounts payable, disbursement of Project Funds (as defined below), implementation of fundraising events, and any other activities planned by the Committee, or its delegated representative, shall be the ultimate responsibility of Sponsor and done through Sponsor as the corporate entity undertaking the Project. Authority to manage the Project’s charitable activities is delegated by Sponsor to the Committee, subject at all times to the ultimate direction and control of Sponsor’s Board of Directors.

c. Employment Matters. Sponsor shall post such employment opportunities or requests for proposals related to carrying out the purposes of the Project as may be reasonably requested from time to time by the Committee, or its delegated representative. The Committee, or its delegated representative, shall review applicants and make recommendations to Sponsor regarding candidates for employment or contractual arrangements related to the purposes of the Project (“**Project Personnel**”). Sponsor shall not unreasonably withhold consent to such arrangements. Sponsor shall contract with and supervise all Project Personnel, on such terms and

conditions as Sponsor shall determine in collaboration with the Committee. Sponsor shall be responsible for all income and payroll tax withholding and reporting related to such compensation. Sponsor shall determine, in its sole discretion, whether Project Personnel shall be designated as employees of Sponsor or as independent contractors.

d. Signing Authority. As the legal entity undertaking the Project activities, Sponsor shall be responsible for executing contracts, grant agreements, leases and other agreements required for Project activities. Sponsor may, in its sole discretion, authorize one or more Committee members and/or Project Personnel to execute one or more Project-related agreements on Sponsor's behalf.

e. Ownership of Project Property. Any tangible or intangible property obtained or created with Project Funds in connection with the Project while this Agreement is in effect ("**Project Property**") shall be the property of Sponsor. Project Property does not include: (i) any preexisting property of Sponsor; or (ii) property that Sponsor acquires during the term of this Agreement with funds other than Project Funds. That Sponsor uses intellectual property in connection with its sponsorship of the Project does not, without more, make it Project Property.

f. Receipt and Disbursement of Funds; Variance Power. In connection with its sponsorship of the Project, Sponsor agrees to receive donations that are designated as made in support of the Project ("**Project Funds**"). Sponsor is not liable if there are insufficient Project Funds for contemplated Project activities. Sponsor shall disburse Project Funds in furtherance of the Project, less any administrative charge owing to Sponsor under this Agreement; provided, however, that the parties intend that this Agreement be interpreted to provide Sponsor with the variance power necessary to enable Sponsor to treat Project Funds as Sponsor's assets while this Agreement is in effect. Sponsor, in its sole discretion, shall have the right to withdraw financial support of the Project if, in Sponsor's reasonable judgment, the Committee materially breaches this Agreement or cannot accomplish the purposes of the Project. Sponsor retains the right, in its sole discretion, to spend Project Funds so as to accomplish the purposes of the Project as nearly as possible, or to redirect Project Funds to a different charitable purpose if the purpose of the Project becomes unlawful, impracticable, impossible to achieve, or wasteful.

g. Investment of Project Funds. Sponsor shall manage any investment of Project Funds in accordance with the prudent investor standards set forth in Delaware's Uniform Prudent Management of Institutional Funds Act. Sponsor may commingle Project Funds with other assets of Sponsor for investment purposes, but shall separately account for any income derived from the investment of Project Funds and treat such income as Project Funds subject to this Agreement.

h. Substantiation of Charitable Donations. Sponsor agrees that all Project Funds will be reported for federal tax purposes as contributions to Sponsor and further agrees to acknowledge receipt of such Project Funds in writing to donors, as required under federal tax law, and to furnish evidence of Sponsor's status as an organization qualified under Section 501(c)(3) of the Code to donors upon request.

i. Project Records. Sponsor shall keep and maintain accurate, complete, and separate Project records in accordance with generally accepted accounting principles, showing all Project assets, liabilities, income, and expenditures. Sponsor shall prepare and provide the Committee, or its delegated representative, with monthly financial reports regarding Project Funds and shall promptly respond to reasonable requests from the Committee, or its delegated representative, for financial or other information regarding the Project.

j. Audit; Tax Reporting. Sponsor shall be responsible for all audit and government reporting requirements arising from its receipt of Project Funds, including filing of any state and federal tax returns.

k. Administrative Charge. Sponsor will retain an administrative charge to cover the costs associated with its fiscal sponsorship of the Project, including its management of Project Funds and other administrative expenses associated with this Agreement. This administrative charge shall equal ten percent (10%) of Project Funds.

3. Restrictions on Use of Project Funds.

a. Tax-Exempt Purposes. All Project Funds must be used solely for purposes of the Project, subject to Sponsor's variance power set forth above, and must not be used in any way that could jeopardize Sponsor's qualification as a Code Section 501(c)(3) public charity. The Committee and its delegated representative agree to comply with any written request by Sponsor to cease activities that, in Sponsor's reasonable judgment, might jeopardize its tax-exempt status.

b. Prohibited Activities. No portion of Project Funds may be used in any attempt to influence legislation. No portion of Project Funds may be used to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, induce or encourage violations of law or public policy, cause private inurement or improper private benefit to occur, support terrorist activities, terrorist organizations or individuals who engage in or support terrorist activities, or take any other action inconsistent with qualification for exemption under Code Section 501(c)(3).

4. Fundraising. The Committee shall notify Sponsor: (i) of all jurisdictions in which it would like Sponsor to solicit charitable contributions from the public in support of the Project; and (ii) if it would like Sponsor to engage a commercial fundraiser to solicit charitable contributions from the public in support of the Project. Sponsor shall ensure compliance with all registration requirements, including registration fees and other expenses. All solicitations for the Project shall be made in Sponsor's name, for the benefit of the Marine Tenure Facility. All solicitation materials that use the name of Sponsor or its affiliates, including both written solicitation materials and scripts for oral solicitation communications, shall be subject to Sponsor's advance approval. The Committee shall comply with all laws and regulations concerning the solicitation of charitable contributions. All original letters of inquiry and grant proposals that use the name of Sponsor or any of its affiliates shall be subject to Sponsor's advance approval and shall be signed by an authorized representative of Sponsor. Sponsor may choose to name one or more Committee members and/or Project Personnel as an authorized representative of Sponsor for the purposes. All grant agreements, pledges, or other commitments

with funding sources to support the Project shall be subject to Sponsor's advance approval and shall be executed by Sponsor.

5. Publicity. Any and all use of Sponsor's name in media communications and fundraising materials with respect to the Project shall be subject to Sponsor's prior review and approval; provided, however, that such prior review and approval shall not be necessary for the Project to refer to itself in the course of its usual operations as "Marine Tenure Facility, a project of The Tenure Facility Fund," or such other generally approved description of the Project as the parties may agree to in writing. The Committee shall provide Sponsor with reasonable advance notice with respect to any proposed use of Sponsor's name that requires approval in order to allow for such prior review.

6. Confidentiality.

a. Confidential Information. All non-public, confidential or proprietary information of either party ("Confidential Information"), including, but not limited to, information about such party's business affairs, products, services, methodologies, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, disclosed by one party (the "Disclosing Party") to the other party (the "Receiving Party"), whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, or otherwise learned by the Receiving Party in connection with this Agreement, and whether or not marked, designated, or otherwise identified as "confidential," is the Confidential Information of the Disclosing Party.

b. Exclusions. Confidential Information does not include any information that: (i) is or becomes generally available to the public other than as a result of the Receiving Party's breach of this Agreement; (ii) is obtained by the Receiving Party on a non-confidential basis from a third-party that was not legally or contractually restricted from disclosing such information; (iii) the Receiving Party establishes by documentary evidence, was in its possession prior to the Disclosing Party's disclosure hereunder; (iv) was or is independently developed by the Receiving Party without using any of the Disclosing Party's Confidential Information; or (v) is required to be disclosed under applicable federal, state or local law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction.

c. Permissible Use. The Receiving Party may use the Disclosing Party's Confidential Information only for the purpose of performing this Agreement and may not otherwise disclose or copy such Confidential Information unless the Disclosing Party authorizes such disclosure or copying. Each party will take all reasonable precautions to prevent any unauthorized disclosure of the other's Confidential Information. Upon the termination of this Agreement or upon the Disclosing Party's earlier request, the Receiving Party will deliver to the Disclosing Party all of the Disclosing Party's Confidential Information in Receiving Party's possession.

7. Secure Environment. The parties shall ensure that they operate in a secure environment, including having in place appropriate security policies, procedures, programs, standards, access control methodologies and network protection techniques, for purposes of safeguarding systems and data from both physical and non-physical threats. The foregoing

safeguards shall comply with prevailing industry standards, but in no case consist of less than reasonable care.

8. Termination.

a. No Project Funds. In the event that Sponsor holds no Project Funds for a period of twelve (12) months, Sponsor may unilaterally terminate this Agreement by providing thirty (30) days prior written notice of such termination to the Committee. In the event of such termination, Sponsor may use Project Property in any manner consistent with applicable tax and charitable trust laws.

b. Spinoff of Project. The Committee may elect to terminate this Agreement in connection with the transfer of operation of the Project to a Code Section 501(c)(3) organization or a foreign organization which Sponsor is able to determine in good faith is equivalent to a Code Section 501(c)(3) organization (an “equivalency determination”)¹ established for such purposes by providing Sponsor with ninety (90) days prior written notice of such proposed termination and during that 90-day period: (i) providing Sponsor with proof that the proposed transferee is then qualified with the IRS as a Code Section 501(c)(3) public charity or with such information as Sponsor may reasonably request for purposes of making an equivalency determination; and (ii) demonstrating to Sponsor that the proposed transferee is able to operate the Project competently and in accordance with applicable tax and charitable trust laws upon transfer. Provided Sponsor approves of the proposed transferee, the parties will cooperate and use their best efforts to accomplish a reasonable and orderly administrative transfer of the Project to the transferee organization within ninety (90) days following termination of this Agreement. Subject to Sponsor’s variance power and applicable tax and charitable trust laws, the parties expect such transfer to include Sponsor transferring all Project Funds and Project Property then in Sponsor’s possession to the transferee organization. If Sponsor does not approve of the proposed transferee, this Agreement will continue until otherwise terminated.

c. Transfer of Fiscal Sponsorship. The Committee may elect to terminate this Agreement in connection with the transfer of the Project to an existing Code Section 501(c)(3) public charity or a foreign organization for which Sponsor is able to make an equivalency determination by providing Sponsor with ninety (90) days prior written notice of such proposed termination and during that 90-day period: (i) providing Sponsor with proof that the proposed transferee is then qualified with the IRS as a Code Section 501(c)(3) public charity or with such information as Sponsor may reasonably request for purposes of making an equivalency determination; and (ii) securing Sponsor’s written approval of the proposed transferee. Provided Sponsor approves of the proposed transferee, the parties will cooperate and use their best efforts to accomplish a reasonable and orderly administrative transfer of the Project to the transferee organization within ninety (90) days following termination of this Agreement. Subject to Sponsor’s variance power and applicable tax and charitable trust laws, the parties expect such transfer to include Sponsor transferring all Project Funds and Project Property then

¹ Although not technically applicable, Sponsor will look to the guidance under Treasury Regulation Section 53.4945-5 for purposes of making an equivalency determination.

in Sponsor's possession to the transferee organization. If Sponsor does not approve of the proposed transferee, this Agreement will continue until otherwise terminated.

d. By Committee. The Committee may elect to terminate this Agreement without identifying a proposed transferee by providing Sponsor with ninety (90) days prior written notice of such termination. In the event of such termination, Sponsor may allocate Project Funds and use Project Property in any manner consistent with applicable tax and charitable trust laws.

e. For Breach. Either party may terminate this Agreement on account of a material breach of this Agreement by the other party by providing thirty (30) days prior written notice to the other party and during that 30-day period the breach remains uncured. During this thirty (30) day period, the parties shall engage in the informal dispute resolution process set forth in Section 10.a below.

9. Disposition of Project Funds and Project Property in Termination. If there are any Project Funds or Project Property remaining after this Agreement has terminated, and the disposition of such Project Funds or Project Property is not otherwise addressed in this Agreement, the Committee may recommend that all Project Funds and Project Property be retained by Sponsor and used specifically to support the activities of the Project, or be distributed to another organization that is then qualified as a Code Section 501(c)(3) public charity and that is organized and operated for charitable purposes similar to those of the Project. Any such recommendation by the Committee is subject to final approval by Sponsor's Board of Directors, and Sponsor may allocate Project Funds and use Project Property in any manner consistent with applicable tax and charitable trust laws. In the event that Sponsor transfers any copyright to a transferee in connection with the termination of this Agreement, the parties agree that Sponsor nonetheless retains an irrevocable, non-transferable and non-assignable license to use the copyrighted materials in connection with its charitable purposes.

10. Dispute Resolution.

a. Informal Resolution. If any dispute arises out of or in connection with this Agreement, the parties must first try to resolve the dispute through mutual communication, either in person or by means of remote communication whereby all participants can communicate simultaneously, with each party being given equal time to explain their position and to make good faith, meaningful efforts to resolve the dispute. Such a meeting shall be held within thirty (30) days of one party providing notice to the other of the need for such a meeting. The parties may but need not include counsel in this initial stage of informal dispute resolution.

b. Binding Arbitration. If the parties are unable to resolve a dispute through the above informal dispute resolution process, any escalation of such dispute must be resolved through binding arbitration, before a sole arbitrator, in accordance with the laws of the State of Delaware. The arbitration shall be administered by the Judicial Arbitration and Mediation Services, Inc. ("JAMS") pursuant to its Streamlined Arbitration Rules and Procedures. Judgment entered upon any award rendered may be enforced by appropriate judicial action pursuant. The parties shall first attempt to select the arbitrator by mutual agreement. In the event the parties are unable to do so within fifteen (15) days of meeting to appoint an arbitrator, JAMS shall select the

arbitrator. The parties shall confer with the arbitrator and together shall decide upon a time and place for the arbitration hearing. If the parties and the arbitrator are unable to do so, the arbitrator shall determine the time and place for the arbitration hearing.

11. Social Contract. The parties shall work together and in good faith to implement this Agreement in accordance with the “Spirit of Collaboration” executed by and between the parties as of the Effective Date (the “Social Contract”) and any other similar such agreements or policy documents that the parties may develop regarding this relationship. In the event any provision in the Social Contract conflicts with this Agreement, this Agreement will control.

12. Notices. All notices and requests in connection with this Agreement must be in writing and given by personal delivery, email, registered or certified mail with return receipt requested, facsimile, or other customary means of written communication addressed as follows:

If to Sponsor:

Antoinette G Royo
Email: nroyo@thetenurefacility.org

If to the Committee:

Kama Dean Fitz
Email: kamasheadean@gmail.com

or to such other address as the party to receive the notice or request may designate by notice to the other.

13. Assignment. This Agreement may not be assigned by either party without the other party’s prior written consent.

14. Severability. If any term of this Agreement is held to be invalid, the remainder of this Agreement will remain in force. If any term of this Agreement is determined to be invalid, illegal or unenforceable, in whole or in part, the validity of any of the other terms of this Agreement will not be affected thereby in any way so long as the general intent of this Agreement can still be carried out absent the invalid, illegal or unenforceable provision.

15. Waiver. Failure by either party to insist in any instance upon strict conformance by the other to any term or condition herein or failure by either party to act in the event of a breach shall not be construed as a consent to or waiver of any subsequent breach or the same or of any other term or condition contained herein.

16. Choice of Law. This Agreement is governed by and shall be construed in accordance with the laws of the State of Delaware.

17. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and merges all prior and contemporaneous communications. It cannot be modified except by a written agreement signed on behalf of both parties by their respective duly authorized representatives.

Signature page follows

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

“Sponsor”

The “Committee”

THE TENURE FACILITY FUND

DocuSigned by:
Nonette Royo
DA035E1F309F4BF
Antoinette G. Royo, Executive Director
Date: 3/16/2024

DocuSigned by:
Ricky Archer
4BC123FC78BA4F4...
Ricky Archer
Date: 3/20/2024

DocuSigned by:
Hugh Govan
6A4E926ED70E433...
Hugh Govan
Date: 3/16/2024

DocuSigned by:
Gaoussou Gueye
B3DE35CBA7824B6...
Gaoussou Gueye
Date: 3/21/2024

DocuSigned by:
John Kurien
C7BD3AAGB7FD49D...
John Kurien
Date: 3/19/2024

DocuSigned by:
Joseph Ole Simel
D453B373957A45B...
Joseph Ole Simel
Date: 3/21/2024

DocuSigned by:
Vivienne Solis Rivera
2ADA981A8D9E4B2...
Vivienne Solis Rivera
Date: 3/17/2024

DocuSigned by:
Aarthi Sridhar
571CAE3758624E6...
Aarthi Sridhar
Date: 3/21/2024

EXHIBIT A

Marine Tenure Facility Project Description

Marine Tenure Facility*

Building lasting support
toward rights recognition
and more secure tenure

DRAFT STRATEGY 2030

*PENDING NAME CHANGE

Table of Contents

The Genesis of the Marine Tenure Facility.....	2
The Marine Tenure Facility Approach.....	4
Vision.....	4
Theory of Change.....	5
Core Values.....	5
Guiding Principles.....	6
An Ecosystem of Support.....	7
Funding Mechanisms for Communities.....	7
Emancipated Funding Mechanisms.....	8
Strategies.....	8
How We Work.....	8
Grantmaking.....	9
Service Provision Alongside Grants.....	9
Civic Space and Capacity Strengthening.....	10
Learning and Knowledge Building.....	10
What We Support.....	11
Geographic Scale.....	11
Potential Partners.....	12
Proposed Structure: A Central Facility Supporting Localized Nodes.....	13
Fiscal Sponsorship with the International Land and Forest Tenure Facility.....	14
Governance.....	15
Human Resources.....	16
Budget.....	16
Direct Grants.....	17
Service Provision.....	18
Operating Costs.....	18
Milestones to 2030.....	18

Marine Tenure Facility

Strategy to 2030

Coastal and shoreline communities are at the front line of ocean and coastal change; small-scale fishers represent the largest group of ocean users, and Indigenous Peoples have long histories of custodianship of ocean, lakes, rivers, coasts and shorelines. In many contexts, local communities, small-scale fishers and Indigenous Peoples hold communal rights to access, use, manage and govern these spaces. These rights are recognized as being integral to broader human rights. They are legally recognised, at least on paper, in international instruments and in constitutions and other laws of many nations. Yet, their diversity, informality and communal nature means these tenure systems and rights are frequently overlooked, undermined, and even abused in practice. Strengthening or building the conditions that ensure rights recognition and enable tenure security offer critical avenues - not only for human rights - but toward improved environmental stewardship, food and livelihood security, poverty reduction, and greater social and gender equity.

At the same time, there is a striking lack of direct funding to locally-led efforts and even less flowing directly to local groups. What's more, the funding that does make it to frontline communities is almost always laced with power imbalances, with most of the philanthropic and aid funding flowing through international non-governmental organizations or other institutions controlled from the Global North. Currently, >99% of philanthropic funding for coastal communities and small-scale fisheries is granted to large international NGOs in the global North - the same trends are reflected in aid and climate funding). This financial landscape has sustained and exacerbated the marginalization and disenfranchisement of local communities, small-scale fishers and Indigenous Peoples. At its most benign, the funding model most prevalent in the philanthropic space, including in coastal and marine philanthropy, undermines local initiatives, hinders long term systemic change and reinforces systemic inequities. At its worst, it violates sovereignty and rights, and is in direct violation of myriad global conventions and treaties.

There is growing recognition of the unequal power dynamics in international aid and philanthropy systems and the resulting harm this does to local communities as well as long-term goals. Increasing the flow of funds directly to rights holders and/or under their control can more effectively enable their continued actions to secure rights and their crucial role in governance of coastal, shoreline, marine and aquatic systems. Advancing this agenda can only be done in partnerships that center the knowledge, agency, and rights of local communities, small-scale fishers and Indigenous Peoples- our partners. As interest in ocean and coastal spaces intensifies, the need to shift power dynamics, and support the voice and agency of our partners, is more critical than ever.

The Genesis of the Marine Tenure Facility

The Marine Tenure Facility is the result of a careful, extensive, and moderately-paced process to understand the landscape of current capacities and services, needs and wants, and opportunities to recognize the rights and tenure regimes associated with local communities, small-scale fishers, and Indigenous Peoples. This process was undertaken through a two-year, four stage (see figure below) initiative called the “Marine Tenure Initiative”. The express purpose of this initiative was to scope, consult, co-design and collaboratively test and refine a fit for purpose institutional response to the common rights abuses and immense power imbalances in ocean governance and funding landscapes.

Funding support: The Marine Tenure Initiative commenced in June 2022 and is set to be completed in June 2024. The initiative was initially funded by Oak Foundation, but soon garnered the fiscal support and interest of Synchronicity Earth, Ocean Kind, IQONIC Ocean Co-Lab, Walton Family Foundation, and the David and Lucile Packard Foundation. Each of these funders expressed strong values alignment in terms of localizing funding close to ocean-dependents and shifting power in the governance of oceans and ocean philanthropy. The findings from scoping, the proposed approach to liberatory grantmaking, and the tentative proposition for a new Facility were discussed with funders in a meeting in New York, May 2023. Due to values alignment and commitment to changing the way funding flows, several more funders made commitments to any future Facility since that meeting.

Governance: Amongst the first actions of the Marine Tenure Initiative was to establish a Steering Committee (October 2022). The [Steering Committee](#) is composed of 7 members - each member holds substantial experience in human rights, coastal, marine and shoreline tenure, inclusive governance, and social justice. The Steering Committee provides a means of accountability, and is one mechanism in place to ensure the Initiative (and ultimate Facility) were being designed and implemented to directly support the interests of tenure rights holders—Indigenous Peoples, coastal communities, small-scale fishers, and other users. The Steering Committee will continue to govern as the Initiative transitions to the Marine Tenure Facility.

Scoping Research: As a first step the Marine Tenure Initiative delivered a comprehensive and highly regarded report on “[Marine and Coastal Tenure](#)” that scoped (through desktop review and expert consultation) tenure rights and regimes from legal, climate, impact and funding aspects. Part of that research was prepared as a journal article “*Accounting for existing tenure and rights over marine and freshwater systems*” and submitted for review. Another section of that research was developed into a brief for funders to guide investments toward more [Equitable Climate Resilience, Sustainable Fisheries & Tenure Security](#). The initiative also ensured the integration (albeit light) of tenure-sensitivity into the “Human health and wellbeing” Blue Paper from Ocean Panel High Level Panel for a Sustainable Ocean Economy Level Panel on Ocean.

Consultation: The small, dedicated team of staff assembled for the initiative were based in Africa, the Americas, Asia, Southeast Asia, and Oceania. This team led a consultation process hearing experiences, views, perspective and direct advice from partners working at global, regional, national

and local levels. Over 100 hours of one-on-one and small group consultations were conducted - method, coverage and findings reflected in an internal Consultation Report. Consultations also included observation and facilitation of key events discussing tenure, rights, ocean governance and emancipated grant making. The consultation also led to an assembled list of stakeholder needs, approaches and preferences - in terms of grants, but also including pragmatic and preferred mechanics of grants, decision making and representation. These reflections were central to the design of the Marine Tenure Facility's structures and processes. Whilst the "consultation phase" was complete under the Initiative, the value of ongoing consultation, learning and adjustment continues to be key features and commitments of the Marine Tenure Facility. This phase also led to a database of potential partners and portfolios of investments – which challenge the view that funds can only be moved through large NGOs, and instead illustrate the absorptive capacity and readiness of a diversity of partners that have largely been overlooked.

Piloting: The Marine Tenure Facility identified a total of 24 pilots projects – of which the Steering Committee selected 7 to proceed – to a total value of US\$585 000. The [approach to pilots](#) clearly laid out the purpose of the pilot phase – which was to test and refine the structures and processes that were being developed for the Marine Tenure Facility – see the "[learning domains and questions for the MTI piloting phase](#)". At the time of writing, the pilots are still underway.

Vision, value and ways of working: The Initiative deeply explored the principles and practices that shift power through philanthropy in order to create the processes and structures that will support community governance and self-determination (see the Discussion Paper prepared on "[A Liberatory Approach](#)"). Then through consultations and in deep consultation with the Steering Committee the Initiative clarified the vision and mission, values and principles that will guide the Marine Tenure Facility to ensure it is operating in service to local communities, small-scale fishers and Indigenous Peoples.

Institutional hosting: The current Marine Tenure Initiative was commenced under fiscal sponsorship of the Meridian Institute, an arrangement that has been very effective for the initial scoping and design work undertaken by the Initiative. Under the initiative the potential of launching as an independent entity was explored, as were the fiscal sponsorship arrangements of five different fiscal sponsors. Based on valued alignment, service provision and potential for enhanced impact, the Initiative team and Steering Committee determined that fiscal sponsorship with the International Land and Forest Tenure Facility was most favorable. The fiscal sponsorship agreement and the social contract are in the final stages of preparation at the time of writing – and will be signed well in advance of the 1st July 2024 launch of the arrangement.

The Marine Tenure Facility Approach

Vision

The Marine Tenure Facility aims to facilitate support, investment and policy toward more secure customary tenure and marine and coastal tenure rights. Through more secure tenure rights, our partners- local communities, small-scale fishers and Indigenous Peoples- will fully experience their rights - including greater capacity and agency to determine how coastal lands, shorelines, ocean and other aquatic areas, and the resources therein, are allocated, used, conserved, managed and developed. This will result in more secure livelihoods and food security, more effective management of resources and space, more inclusive and sustainable food systems and economies, and the protection of cultural lands and practices.

Building a funding and support mechanism dedicated to centering power with our partners is integral to this vision. By clearly articulating a set of core values then linking them to actionable steps within the Facility's formation, processes and partnerships, we will build a Facility that is fit for purpose- shaped by, responsive to and governed by our partners. Through work of the Marine Tenure Facility, we will support a transition to funding based on trust and empowerment. The Marine Tenure Facility will provide a powerful exemplar of 'downward' accountability and devolved power.

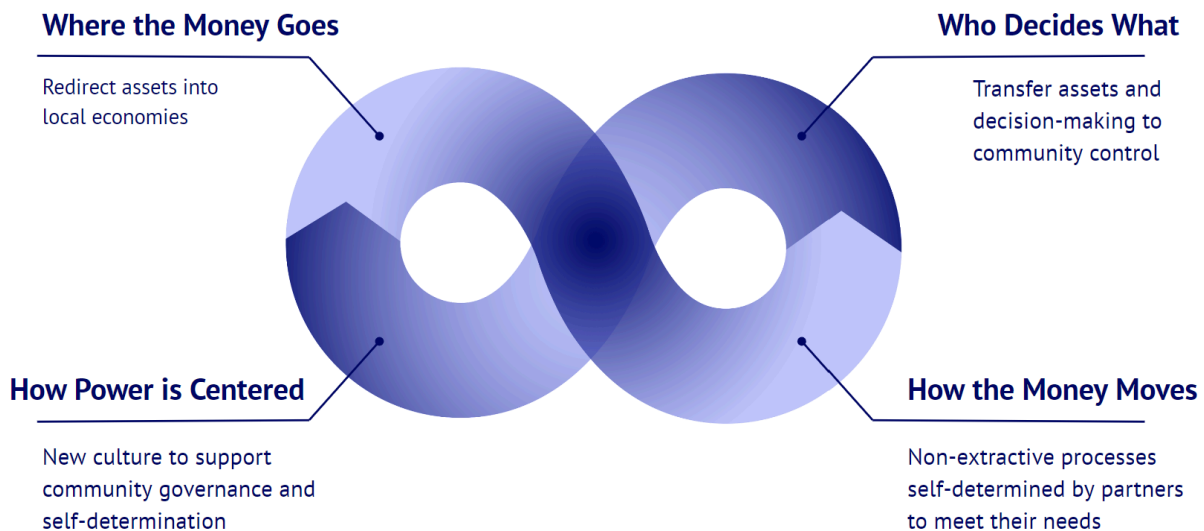


Figure 1. The approach to grant making and strategy followed by the Marine Tenure Facility. More than simply changing where money goes, this approach seeks to shift where power lies and the ways in which funding decisions are governed. Adapted from the Justice Funders 'Just Transition' Framework.

Theory of Change

Where tenure and rights are secure, and where people are truly centered in funding decisions and distribution, local communities, small-scale fishers and Indigenous Peoples become empowered and enabled as environmental stewards, and experience greater agency and incentive toward investing in food security, economic pursuits, livelihoods, resource management.

In many contexts, communal tenure systems and resources rights are the foundation of thriving communities, diverse cultures, productive economies, and environmental stewardship. However, in many aquatic and coastal contexts the diversity, informality and communal nature of rights and tenure means these governance arrangements and rights are frequently overlooked, undermined, and even abused in practice. The insecurity of rights and tenure leads to a race to exploit resources, perpetuates or exacerbates poverty, and undermines livelihoods - particularly for those who are already economically or socially marginalized. Concurrently, the landscape of ocean and climate funding has sustained and exacerbated the marginalization and disenfranchisement of local communities, small-scale fishers and Indigenous Peoples - rendering them objects in (rather than *agents of*) conservation, resource management, climate response, and economic development.

Building the conditions that enable tenure security (i.e., completeness of bundle of rights, durability and permanency of rights, robustness and recognition of rights, accessibility of due process and compensation, documentation of entitlements) requires working with a diversity of partners, affecting different levels of governance. For example, creating the conditions that enable tenure security will entail building accountability and awareness amongst governments, NGOs, funders and the private sector (and their processes) to respect these rights. This must concurrently be advanced by dismantling the conditions that undermine tenure security and rights i.e., reducing ambiguity and gaps in legal frameworks, reconciling legal pluralism, building government capacity to administer rights and associated processes, and improving representation of, and accountability to, rights holders in processes established to govern the rising demands on oceans, coasts, shorelines, and other aquatic systems.

Core Values

1. Center power with partners

Recognize the intersectional inequities- racial, gender, customary, economic, and political- in which we operate, actively work to change practices and behaviors that perpetuate harm.

Ensure the power to make decisions about strategic direction and distribution of resources sits with partners and communities who are closer to the issues we seek to address.

2. Uphold lived experience and traditional knowledge

Recognize the deep understanding of root causes and solutions that comes from lived experience and utilize all forms of knowledge. Create learning environments that respect and benefit from all forms of knowledge on an equal plane.

3. Base our work on trust, responsiveness and service

Prioritize healthy, open, honest relationships; listen and learn from all partners; intentionally design open feedback channels and respond in a timely manner with appropriate actions; place administrative burden of grantmaking on the Facility. Ensure all aspects of our work are culturally sensitive.

4. Prioritize transparency & accountability

Discuss power dynamics openly throughout the process of building relationships and collaboration. Co-design localized strategies and theories of change; agree on how success will be measured. Commit to transparency and shared accountability in all aspects of the work.

5. Foster solidarity and protect civic spaces

Acknowledge that a strong civil society- made up of leaders, organizations, networks and movements- is central to advancing our collective goals. Recognize the role and power of the philanthropic and aid field on civic spaces and be an advocate for best practices.

Guiding Principles

1. Make giving more proximate

We center power with our partners by building culturally sensitive governance structures in countries or regions. We will ensure any new entity is established in the Global South and establish in-country or regional teams, comprised of people from the places where we work.
Responds to values 1, 2, 3, 4

2. Focus end support on partners

We will always work to directly fund organizations and intermediaries that legitimately represent our partners. We will invest in local leaders, organizations and networks with the legitimacy to represent our partners.
Responds to values 1, 2, 3

3. Embrace co-design and decision-making

Our grantmaking will be rooted in the lived experiences of our partners and the depth of their knowledge and commitments. We will create the institutional structures and processes that allow for co-development of localized strategies and Theories of Change, as well as allow partners the ability to nominate and select grantees and other contracted support entities. We will fund programs co-designed with those we aim to serve.
Responds to values 1, 2, 3, 4

4. Embrace equitable grantmaking principles

Our grantmaking will place trust in partners and allow for greater agency to reach shared goals. We will do this through flexible, multi-year and general operating grants, with low administrative burden. We will place administrative burden of grantmaking functions as well as tracking progress on the Facility. We will ensure all materials and meetings are available in the languages spoken by our partners.

Responds to values 1, 3, 4

5. Consider a diversity of end recipients

Our end recipients will include regional, national and local nonprofits; for-profit, and other entities such as fishing cooperatives; informal groups such as youth groups, women’s groups, and other movements; and individuals. We will adjust our grantmaking to meet the needs of end recipients.

Responds to values 1, 2, 3

6. Provide services/resources beyond the check

We will work to establish in-house technical expertise, as well as build dynamic networks of experts that can respond to needs identified by our partners, country advisory boards and staff. Service provision will be done at several levels, depending on the needs and strategy of individual places. We will work at the global level to advocate for our partners and best practices when working with coastal dependents.

Responds to values 3, 5

7. Ensure we can rapidly respond to acute needs

We will create the structure and process to be able to make rapid response grants designed to quickly address urgent needs and strategic opportunities. We will embrace flexibility in our grantmaking, supporting partners in monitoring, evaluating and adapting to changes.

Responds to values 2, 3, 4, 5

8. Approach our grantmaking with a holistic, or systems level, view

Ensure we approach this work within the full spectrum of how communities exercise their rights and their associated needs. Support various efforts related to the wellbeing of our partners, based on what our partner groups feel is necessary to reach shared end goals. Invest in regional and local movements and networks, as well as efforts to protect civic space. Support localized capacity strengthening initiative.

Responds to values 1, 2, 5

An Ecosystem of Support

Funding Mechanisms for Communities

We recognise that local communities, small-scale fishers and Indigenous Peoples consider direct funding as being instrumental to self-determination. The land and forest space has been building the infrastructure to support direct, or at least more proximate, funding toward Indigenous Peoples and communities in defense of their lands and territories for close to a decade. Many large institutions, including CLUA, Forests for People and Climate (comprised of several large funders), Nia Tero, the International Land and Forest Tenure Facility, and the Rights and Resources Initiative, among others, are committing hundreds of millions of dollars - whilst actively working to reach fundraising targets into the billions of dollars - for the protection of Indigenous lands and tenure rights.

In comparison, this same effort in the oceans and coastal funding space is nascent. There are a few small donors that focus their giving directly to coastal communities and marine tenure rights, and a handful of larger donors that include grants to local communities, small-scale fisher and Indigenous Peoples' organizations. There are a couple other funds in the works designed to funnel resources and support to local organizations associated with coastal communities (Synchronicity Earth's Neptune Fund and the proposed Blue Venture's Frontline Climate Fund). Combined, these efforts reach into the tens of millions of dollars. This is not insignificant, but this total is far below what is most likely needed to reach critical mass and have true impact across the globe. Rather than illustrating duplication or competition, the funding and momentum of the *whole* is a necessity. In this ecosystem the Marine Tenure Facility not only provides a source of direct funding, but also provides a powerful exemplar - a demonstration of liberatory approaches that move away from *support for*, and toward *centering power with* local communities, small-scale fishers and Indigenous Peoples.

Emancipated Funding Mechanisms

The Marine Tenure Facility also recognises and shares space with a range of Indigenous-led, participatory and otherwise 'emancipated' funding mechanisms that meet a suite of governing principles that ensure agency, voice and decisions lie with those accessing funds. These mechanisms are not controlled from the normal epicenters of power. They enable open, transparent, and democratic decision making processes, and simultaneously ensure transparency and responsible use of funding.

With careful coordination and open communication the Marine Tenure Facility can play an additive role within this emancipated funding landscape - potentially drawing in and educating new funders about tenure, rights concerns and pathways toward tenure security. The Marine Tenure Facility can also highlight the broader set of potential grantees than funders are currently considering.

However, we also recognize that there can potentially be much overlap between funds sought and partners engaged. It would be counter to the Marine Tenure Facility's stated aims, values and principles if its operations and relationships got in the way of, or inadvertently competed with, the good work of other legitimate and established mechanisms. For this reason we co-created [a set of principles and communication strategies](#) to ensure the Marine Tenure Facility plays a role that recognises, coordinates and/or defers to existing Indigenous-led, participatory and otherwise 'emancipated' philanthropy mechanisms, and works in ways that complement and supports with their efforts.

Strategies

How We Work

Embracing the guiding values and principles above, the Marine Tenure Facility will provide support and resources across four distinct yet interconnected areas: grantmaking, service provision, capacity strengthening, and network building.

Grantmaking

The Marine Tenure Facility will engage in re-granting as a core body of work designed to directly support local communities, small-scale fishers and Indigenous Peoples, their representative institutions, and the groups they choose to provide services and support. Grantmaking will be designed to connect grassroots groups, networks and individuals to financial resources that were otherwise inaccessible. In addition to the Marine Tenure Facility's core programmatic grantmaking portfolio, the Facility will manage a rapid response fund that will allow us to address urgent needs and respond to strategic opportunities (e.g., the Rights and Resources Initiative's Strategic Response Mechanism). The Facility will employ a mix of tools to deploy financial resources, including multi-year, general operating support grants, programmatic grants, contracts, and scholarships, among others.

Grantmaking will be done at several levels- global, regional, national and local- dependent upon feasibility and context. In order to achieve impact in a given place, it is likely we will partner with a diverse range of intermediary mechanisms and end recipients. When funding and services need to go through intermediaries, we will turn to our partners to make the decisions regarding who operates as their intermediary and we will then apply a set of assessment criteria and benchmarks to ensure the relevance, efficiency and cost-effectiveness of intermediaries, in collaboration with our partners.

Service Provision Alongside Grants

Through the scoping process, we found that there is a clear gap of regranting facilities in the field with the capacity or focus on providing technical, management and other support services. The Marine Tenure Facility will work to establish both in-house technical expertise, as well as build dynamic networks of experts and allies that can partner where needs and opportunities arise. The Facility will provide, or broker, services directly to partner groups and others representing our partners. Similar to the Facility's grantmaking, service provision will be done at several levels, with in-region or country services built out depending on the needs and strategy of individual places. Below is a list of potential services the Facility will provide, either directly or through grants or collaborations built with partners and other intermediary, service provision partners.

- Facilitate direct access to other funders
- Monitoring and evaluation support
- Strategic communications/advocacy support to elevate partner voice
- Climate adaptation and financing advice
- Project and budget management support
- Gender equity and women's empowerment programming support
- Knowledge and learning support to strengthen the evidence base
- Legal advice/support
- On demand research or evaluation
- Conflict Resolution
- Negotiation support

Civic Space and Capacity Strengthening

Building on the work done by partner foundations, including the Ford, Oak and Packard Foundations, the Marine Tenure Facility acknowledges that a strong civil society- made up of leaders, organizations, networks and movements- is integral to our vision and values. We also see that progress toward shared goals is constrained by nascent and underdeveloped civil society infrastructure, threatened civic space, and a lack of donors committed to investing in the strength of civil society. The Facility is committed to investing in the strength and resilience of our partners, through both organizational strengthening and leadership development, and the civil society ecosystems in which they operate.

The Facility is committed to localizing capacity strengthening and we do not believe that the only answer to supporting local communities is to scale organizations- creating new ‘unicorns’ that resemble international NGOs. Rather, our work will focus on scaling impact; many organizations stay small and focused so that they can better serve their communities. Strengthening leaders and organizations in communities that are historically under-resourced requires increased trust and relationship building and is context specific, requiring knowledge of what makes civil society actors strong and effective in a specific community or geography. Our capacity strengthening work will meet local communities and organizations where they are, supporting their development toward their end goals and abilities to serve their communities. [Adapted from work by Rose Maruru of EPIC-Africa.]

Learning and Knowledge Building

The massive power imbalances between local actors and powerful conservation, development and climate actors mean aquatic and shoreline tenure rights and responsibilities remain at great risk - despite many commitments made ‘on paper’. The trajectories of transformation of ocean and freshwater governance have raised substantial concerns from civil society groups, as well as critical scholars who reflect these risks as “Blue (in)justice” and “Blue grabbing”. One of the fundamental questions facing research, policy and practice is *“how are the existing rights and relationships of local communities, small-scale fishers and Indigenous Peoples being recognized and positioned in the pursuit of the grand challenges of biodiversity loss, food insecurity and climate change?”* Just as importantly and urgent, is answering *“What actions, processes and changes lead local communities and Indigenous Peoples to experience greater security of their rights?”* And, *“where rights of local and indigenous actors are intact, and secure, what can be gained or lost in terms of progress towards those same challenges?”*

We will work with a diversity of actors - drawing applied researchers together with civil society groups - in the collaborative development of a research agenda, knowledge generation actions and partnership arrangements (including grants) to deliver that agenda. The aim is to (A) clarify how aquatic tenure can be understood and bolstered, and to what scale of instrumental ends, (B) deliver recommendations to both research and practice, and (C) critically reflect where course correction is needed, toward more just, tenure-sensitive, and effective paths forward in ocean, freshwater and shoreline governance.

We recognize that there can be no one knowledge holder – instead we propose that the emergent Marine Tenure Facility acts as a neutral knowledge broker, as a conduit for more distributed research support, and as a provider for a strategic selection of influential and field building research. Additionally, through the provision of communication services, the Facility will support the creation of shared messages and communications collateral; help local groups articulate their impact and make the case for better policies; and raise community voices to global, regional and national stages.

What We Support

Through scoping and consultations with groups serving, or directly representing, local communities, small-scale fishers and/or Indigenous Peoples we have identified barriers and pathways to moving from rights erosion and tenure insecurity, to right recognition and tenure security. Through our legal analysis, climate analysis, and consultations, we have begun to understand the levers necessary to affect change. Marine Tenure Facility investments will be designed to support the conditions and processes necessary to move from rights and tenure insecurity toward tenure security and full recognition of rights, while still being in service to and driven by our partners. Some of the levers we have identified to affect this change include:

- Increase tenure literacy amongst rights holders, but particular amongst decision makers and power brokers;
- Improve access to due and inclusive process - shift from participation to meaningful inclusion
- Strategic litigations related to rights abuses and illegal processes;
- Registration of territories, and or titling of lands;
- Resource and area management that demonstrates and solidifies rights;
- Support proper representation and legitimate leadership in decision-making processes;
- Ensure necessary legal representation and due process in (marine spatial, development, climate mitigation/adaptation) planning processes;
- support access to conflict resolution resources and services
- Support access to negotiation services and accurate data (e.g., to support fair blue carbon deals);
- Develop or provide technical, legal and fiscal capacity to partners and the governments that represent them;
- Generate new knowledge and ensure traditional knowledge is respectfully considered in research and policy.

The Facility will not be limited to strategic investments in the above categories only. We will approach our support holistically, providing funding for work identified by partners as necessary and critical in their efforts to move from tenure and rights insecurity, to tenure security and to a more complete recognition of rights.

Geographic Scale

The technical team recognizes that grantmaking will need to take place at the global level- to support the critical body of work necessary for local communities, small-scale fishers and

Indigenous Peoples to secure tenure and rights- as well as at a regional, national or local level to directly support communities. The process of determining where the Facility works has been thoughtfully discussed and guided by our Steering Committee who expressed concern that a top-down, data driven exercise to identify priority places would risk unjustly prioritizing some places over others, potentially threatening our values and leading to mis-alignment with partners. Nonetheless, to align with our values and guiding principles, a geographic focus at some level will be necessary to invest across regional, national and local levels in ways that mutually reinforce rights recognition; it will not be possible to center power with partners and make giving as proximate as possible in all coastal areas around the globe.

Potential Partners

The Marine Tenure Facility will provide services and resources directly to local communities, small-scale fishers and Indigenous Peoples, and the groups and allies that directly serve them, in their efforts to secure and assert their rights to coastal, marine, shore line and other aquatic spaces and resources. The Facility will be designed to ‘even the playing field’ between our partners and other, more powerful groups (such as governments, businesses and international nonprofits). As such, the Facility will target funding to those institutions, groups and networks that legitimately represent our partners. We will support international institutions- such as research institutions, legal support, or communication and advocacy support - only when directed by our Steering Committee, Regional Advisory Groups or local partners. We will not, unless directly requested by our partners, grant to international nonprofit organizations based in the Global North.

In order to ensure that our work responds to and prioritizes women’s tenure rights and goals of equity, we will work only with partners who demonstrate strong commitment to gender equity in their internal and external structures and work. We will annually track, report, reflect and adjust the proportion of our programming that is women led and/or focussed explicitly to progress women’s rights, ownership of productive assets, and voice in decision making.



Figure 3. Example grantees/partners of the Marine Tenure Facility at different scales . For more complete details see the [Investment Portfolios](#) and the [Database of Potential Partners](#).

Proposed Structure: A Central Facility Supporting Localized Nodes

The proposed options for a Marine Tenure Facility have been determined through consultations with the technical team and Steering Committee, and global and regional funding and technical organizations operating in the ecosystem. During the scoping process, four potential scenarios were explored and discussed; (1) establish a program of an existing facility or organization, (2) create a single, bespoke, relatively autonomous institution, (3) create regional hubs, (4) create national foundations. At the end of this deliberation and discussion process the strongest proposition was to create a single, bespoke, and relatively autonomous institution - which would borrow tenants from multiple structures.

At the end of the exploratory process, the technical team determined that a global facility designed to support localized governance and decision making is the most viable, effective and efficient approach. The development phase of the Facility (i.e., the preceding Initiative) has established and demonstrated the power and efficacy of a small team of dedicated staff based in the countries and regions where the Facility works that connects virtually as a core group, but is embedded in place, and closer to partners. This structure allows us to build the necessary governance structures to

ensure strategy is meaningfully co-designed and grantmaking selection and decisions are led by partners, both at the global level and in regions or countries. It also allows us to build out in-country technical expertise as needed to ensure our support is informed by local representatives and that our partners are supported locally.

A small team of dedicated staff supports: a global Steering Committee; fundraising; management of global-level grantmaking, service provision, and the rapid response fund; thought partnership; philanthropic and sector advocacy work; communications services; and proactive and responsive research collaborations. The partner liaison staff members based in-regional support: regional advisory groups who will lead the co-design of local strategies and decision-making for grantmaking and on the ground capacity building/service provision; management, planning and budgetary support to partners; liaise with partner-selected intermediaries; ensuring local information is used to underpin relationships and strategies; and carry out all necessary in-country legal and fiscal compliance.

Over the course of the next five years, we will continue to work under a fiscal sponsor and support a virtual team. If in the coming years we determine that we are unable to achieve our mission and adhere to our values and guiding principles under a fiscal sponsorship scenario, we are committed to building a stand-alone global facility and explore whether and where physical presence adds value to our partners. We will strive to set the Facility up outside of the U.S. or Europe, in a place that can support robust cross-border philanthropy. A short list of viable options (although the landscape can change rapidly) includes Kenya, Taiwan, Korea, Australia and New Zealand. At the regional or country level, it is likely we will need to work through intermediaries or outsource local fiscal and legal compliance needs; understanding the logistical needs and building appropriate responses will be determined as part of the process of building local portfolios.

Fiscal Sponsorship with the International Land and Forest Tenure Facility

The Marine Tenure Facility envisions scaling its work overtime and starting its grantmaking and service provision whilst under a fiscal sponsorship relationship with the Land and Forest Tenure Facility.

The Tenure Facility supports land and forest tenure of IP&LC. It recently finished its registration in the US. The purpose, per TF Board decision, was to secure its own tax-exempt status in the US (501 c 3 IRS), for ease in receiving additional U.S. philanthropic funds and to expand its learning on flexible, direct IP&LC grantmaking. The Marine Tenure Facility and the Tenure Facility recognise there is mutual value in a fiscal sponsorship arrangement. This would meet the Marine Tenure Facility's immediate need to establish a tested system of medium-to-large, direct grantmaking to IP & LC organizations and alliances. It enables Tenure Facility to expand systems for flexible grantmaking using non-profit U.S. 501c3 regulations. It further opens opportunities for joint Tenure Facility-Marine Tenure Facility learning in realizing a holistic approach to community rights recognizing aquatic/terrestrial systems connectivity.

Entering into a fiscal sponsorship relationship solidifies a deep and collaborative working relationship between the Marine Tenure Facility and the Tenure Facility. This is a first step toward

exploring how closely the two initiatives can/should work in the future, and allows the institutions to develop an understanding of what best serves our collective partners and the field. The entities would enter this fiscal sponsorship relationship with a commitment toward building a joint partnership, while remaining flexible to following the path that best supports both institutions in meeting their long term visions and goals, providing for an exit provision to allow for spin-off if and when determined by both parties.

Governance

Putting our values and principles into action is logistically challenging, presenting legal, fiscal and management challenges. If we design robust and representative governance structures, we will not solve these challenges, but it will create the foundational piece through which we live our values. Governance structures will be created to ensure the power for decision-making is as close to our end partners as possible. We will embody a participatory grantmaking approach to our work, building off successful models currently being implemented by other philanthropies and re-granting facilities. As a starting point for deeper design, the Facility is exploring a multi-tier governance structure. This is spearheaded by the Steering Committee¹ who are responsible for setting the strategic direction of the Facility.

The Steering Committee will also be responsible for nominating and approving grants at the global level and from the Rapid Response and Knowledge and Learning Funds, or creating proxy structures. The MTF Steering Committee provides robust accountability, ensuring the Facility design and implementation directly supports the interests of tenure rights holders—Indigenous Peoples, coastal communities, and small-scale fishers and other users. The Steering Committee has governed the initiative since the first months of its inception and is critical to the legitimacy and efficacy of the Facility, serving as one key governance attribute. The technical team remains responsive and accountable to the Steering Committee, which provides guidance to strategy and decision making.

The Steering Committee is comprised of seven individuals who hold highly relevant expertise (in social justice, environmental justice, food security and food sovereignty, marine and coastal tenure, co-management, area-based management, resource competition, urban planning, and/or human rights law) that they can draw on when providing advice and direction to the Facility. These individuals also hold leadership positions in groups that represent the interests of marine and coastal tenure rights holders, and so have the capacity to engage in, and/or draw from consultative processes with their constituents and, when appropriate and specified, can represent these views and knowledge when providing advice and direction to the Initiative.

The Facility will look to create regional, national or even local **Advisory Committees** that are responsible for guiding the co-creation of local strategies and making grantmaking and service provision decisions. The level at which these committees work (regional, national, local) will depend on the context of the place in which we are working. Establishing the governance structures that support co-design and decision-making is fundamental to ensure we create a global giving

¹ Note - until such time as the Marine Tenure Facility forms a new independent legal structure, the Steering Committee will serve an equivalent function to a Board of Directors - with leadership responsibility delegated from the Board of the International Land and Forest Tenure Facility (our fiscal sponsor).

facility that centers power with those it is designed to serve. In the coming year, the technical team will look to our Steering Committee to guide us in this process, and will be informed by the ongoing partner consultation process.

Human Resources

The Marine Tenure Facility will be implemented by a small, dedicated team of staff who are experienced in liberatory grant making practices, inclusive governance and participatory approaches and environmental justice and social equity. All staff are based in, and/or from the regions they serve and come with and maintain extensive (and growing) relationships with partners and potential partners. The team will lean towards a distributed leadership model - aligned with our values.

Budget

The Marine Tenure Facility has an aspirational goal of deploying \$100M annually directly to local communities around the globe. During our scoping process, we found that in 2020, approximately \$100M directly targeted small-scale fishery and coastal community-based **projects**. Next to none of that went directly to local or even national organizations- it went through or the work was implemented by international NGOs based in the U.S. or Europe. If we successfully reach our target- or incentivize others to change their giving practices, resulting in of \$100M flowing directly to coastal communities, then dollars designed to level the playing field- support the agency and power of those we intend to serve- would sit toe to toe with giving in the coastal and small-scale fisheries space. This is a powerful shift in how we do this work, shifting power dynamics in this space and influencing the broader field.

The journey to \$100M will take time, and perhaps remain forever aspirational, and in the meantime the Facility is building toward full operating capacity with an annual institutional budget of US\$30M. We've reached this number, and associated budget categories, based on our learning sessions with the Tenure Facility as well as sense-checked this budget using a bottom up approach - with the preparation of [Investment Portfolios](#). We believe that moving \$30M per year is both feasible and needed to have an impact in this space and to truly shift the needle. The table illustrates budget growth to 2030, and the figure below represents the breakdown of our annual budget at the scale of US\$30M per year.

	Transition	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	2nd half 2024	2025	2026	2027	2028	2029	2030
Fiscal Sponsorship fees (10%)	\$165,000	\$500,000	\$1,000,000	\$1,500,000	\$2,000,000	\$2,500,000	\$3,000,000
Devolved Governance and Grants to partners	\$639,500	\$2,928,725	\$6,694,700	\$11,150,950	\$15,005,350	\$18,764,375	\$22,512,200
Direct Support Services and Institutional Build	\$846,825	\$1,571,275	\$2,305,300	\$2,349,050	\$2,994,650	\$3,735,625	\$4,487,800
TOTAL	\$1,651,325	\$5,000,000	\$10,000,000	\$15,000,000	\$20,000,000	\$25,000,000	\$30,000,000

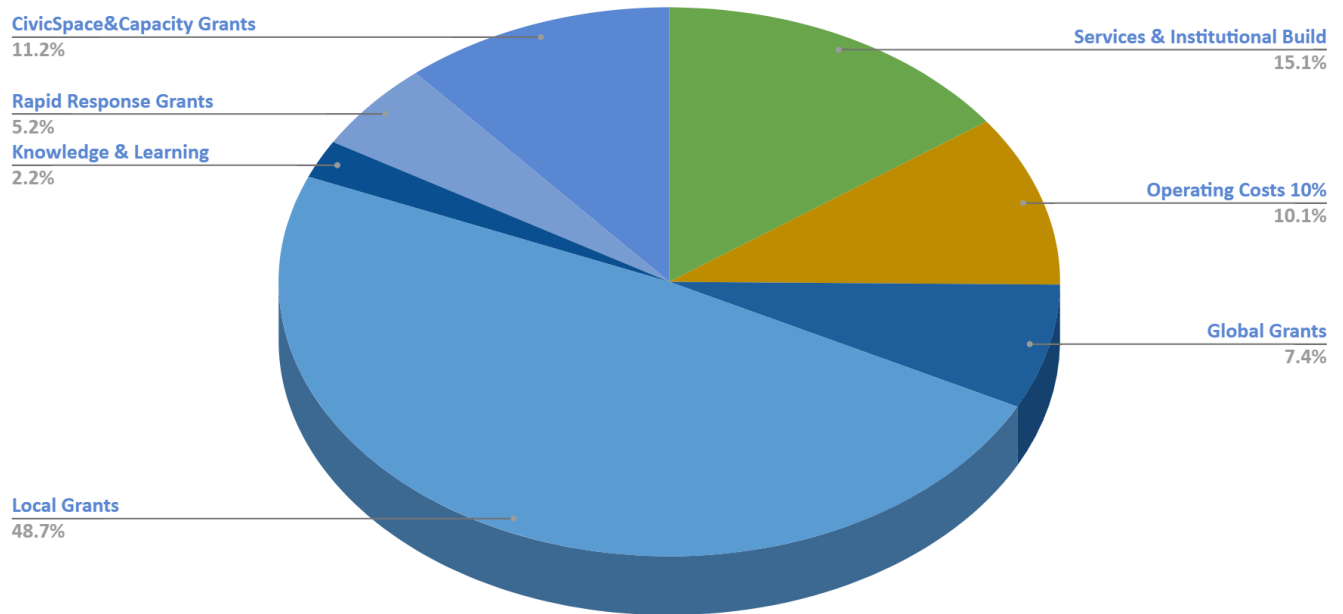


Figure 4 The budget breakdown of the Marine Tenure Facility at the scale of US\$ 30M a year. All blue components are direct grants spread across five types of grantmaking; (1) Regional Grants (including national and local level granting) (2) Global Grants, (3) Civic Space and Capacity Grants, (4) Rapid Response Grants, (5) Knowledge and Learning Grants

Direct Grants

We have developed five different funds that focus on different levels of governance and pathways toward change. Total grantmaking across these four funds will represent 75% of the annual US\$30M budget.

1. **Global Fund:** We will create a global grantmaking fund to support civil society organizations working within global structures such as the United Nations and playing critical advocacy roles at the global level. The strategic direction and grantmaking decisions for this fund sits with the Steering Committee or their delegated body.
2. **Rapid Response Fund:** In response to our Guiding Principle to rapidly respond to acute needs, we will create a fund to address urgent needs and strategic opportunities. This could include supporting stand-alone opportunities outside of the Facility's geographic scope, quickly responding to an emerging need such as travel, or rapidly mobilizing funds to fight against an emergent threat (e.g. seizure of land or people). The strategic direction and grantmaking decisions for this fund sits with the Steering Committee or their delegated body.
3. **Regional or national-level funds:** Each place in which the Facility works will have a dedicated fund designed to support on-the-ground efforts. The strategic direction and

grantmaking decisions for this fund will sit with the regional or country advisory committees.

4. **Civic space and capacity strengthening:** We also envision a civic space and capacity strengthening program that deploys funding to support the self-identified capacity needs of our partners and protects civic space. Our staff will work in close collaboration with partners to identify needs and craft appropriate responses. It is likely that much of the funding will be mobilized through grants, although contracts and direct service provision is also an option.
5. **Research and Knowledge:** We envision a relatively modest fund that is used to co-develop, and then enable the progression of, a research and knowledge agenda. Grants will be prioritized (but not solely focussed) towards early career researchers, particularly those from low and middle income countries where tenure insecurity concerns are acute and/or where actions appear to be contributing toward tenure security.

Service Provision

The Facility will be designed to be in service to our partners, as well as build and support localized governance mechanisms. The organization's structure will be designed to provide the necessary support services to partners throughout strategy design, the grantmaking process and program implementation. We anticipate that service support will be provided directly by Facility staff, and will also be contracted out depending on the need and context.

Operating Costs

We envision operating costs to support financial, legal and fundraising efforts sitting at 10% of the total budget.

Milestones to 2030

Below we present the key milestones through 2030, at which point we anticipate the Facility operating at 'full capacity'. This pathway is ambitious, and also paced to ensure we are responsible and accountable to our partners and our values. The milestones presented here are focussed on institutional capacity to responsibly support the decentralized governance and fair and effective distribution of funds in ways that lead to rights recognition, tenure security and the resultant outcomes to environmental stewardship, livelihoods and food security.. The development of milestones and quantitative measures of reach and impact are in development - and will be introduced as milestones in 2026.

Transition	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
2nd half 2024	2025	2026	2027	2028	2029	2030
<ul style="list-style-type: none"> - Launched with new branding and identity - Operating under fiscal sponsorship of the Tenure Facility - Grantmaking commences - Preliminary quantitative targets established - US\$40M commitment secured 	<ul style="list-style-type: none"> - Two decentralized governance structures operational - Grantmaking commenced from all 5 funds; Global, K&L, Civic Space, Regional and Rapid Response funds - Pilot learnings incorporated into structures and processes - Quantitative targets reviewed and approved 	<ul style="list-style-type: none"> - Grantmaking and service provision structures refined based on pilots - Grantmaking from all grant buckets occurring, and at least 5 country programs operating - \$50M in funds or commitments secured 	<ul style="list-style-type: none"> - Grantmaking and service provision structures fully operational for 10M grants - Systems support philanthropy and public funds - Standalone entity assessment complete 	<ul style="list-style-type: none"> -- Refreshed/renegotiated fiscal sponsorship arrangement or launch as standalone entity - \$70M in funds and commitments secured 	<ul style="list-style-type: none"> - Grantmaking and service provision structures stable and ready for 30M per year - 5 year strategy (2030-2035) co-developed with partners 	<ul style="list-style-type: none"> - 75% grant target reached - 5 year strategy (2030-2035) launched - US\$100M commitments for 2030 and beyond strategy implementation

EXHIBIT B

Initial Steering Committee Members

Ricky Archer
Hugh Govan
Gaoussou Gueye
John Kurien
Joseph Ole Simel
Vivienne Solis Rivera
Aarthi Sridhar

Certificate Of Completion

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Vicki Folkestad

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Location: DocuSign

3/15/2024 3:15:04 PM

vickifolkestad@dwt.com

Signer Events

Signature

Timestamp

Aarthi Sridhar

aarthi77@gmail.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure: Not Offered via DocuSign

Sent: 3/15/2024 3:59:49 PM

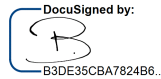
Resent: 3/20/2024 9:46:43 AM

Gaoussou Gueye

gaoussoug@gmail.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure: Accepted: 3/20/2024 10:13:03 AM ID: 6c909f58-8548-4f4f-8a56-1910373e1469



Signature Adoption: Drawn on Device Using IP Address: 102.164.183.64 Signed using mobile

Sent: 3/15/2024 3:59:49 PM

Resent: 3/20/2024 9:46:43 AM

Viewed: 3/20/2024 10:13:03 AM

Signed: 3/20/2024 10:21:03 AM

Hugh Govan

hgovan@gmail.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure: Accepted: 3/16/2024 8:46:25 AM ID: fc3920e0-9d8a-43b1-82cb-d21634b77c6e



Signature Adoption: Pre-selected Style Using IP Address: 145.224.124.46

Sent: 3/15/2024 3:59:50 PM

Viewed: 3/16/2024 8:46:25 AM

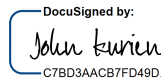
Signed: 3/16/2024 8:46:51 AM

John Kurien

kurien.john@gmail.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure: Accepted: 3/16/2024 6:53:27 AM ID: a0807be7-3e70-4bcd-a57b-dc95caa282dd



Signature Adoption: Pre-selected Style Using IP Address: 110.225.141.127

Sent: 3/15/2024 3:59:51 PM


Viewed: 3/16/2024 6:53:27 AM

Signed: 3/19/2024 10:05:11 PM

Signer Events

Joseph Ole Simel
 jolesimel2002@yahoo.co.uk
 EXECUTIVE DIRECTO
 Security Level: Email, Account Authentication
 (None)

Signature

DocuSigned by:

 D453B373957A45B...

Signature Adoption: Uploaded Signature Image
 Using IP Address: 197.155.70.126

Timestamp

Sent: 3/15/2024 3:59:51 PM
 Resent: 3/20/2024 9:46:44 AM
 Viewed: 3/21/2024 4:59:16 AM
 Signed: 3/21/2024 5:02:19 AM

Electronic Record and Signature Disclosure:

Accepted: 3/21/2024 4:59:16 AM
 ID: de18b12e-fc1e-4085-b15c-4cff9cec49b9

Nonette Royo
 nroyo@thetenurefacility.org
 Antoinette G Royo, Executive Director
 Security Level: Email, Account Authentication
 (None)

DocuSigned by:

 DA035E1F309F4BF...


Signature Adoption: Pre-selected Style
 Using IP Address: 85.194.33.242
 Signed using mobile

Sent: 3/15/2024 3:59:52 PM
 Viewed: 3/16/2024 1:44:58 PM
 Signed: 3/16/2024 1:45:34 PM

Electronic Record and Signature Disclosure:

Accepted: 3/16/2024 1:44:58 PM
 ID: afa4c27a-bd59-4da2-ab1a-3a1d21f5df2d

Ricky Archer
 ricky.archer@dcceew.gov.au
 Security Level: Email, Account Authentication
 (None)

DocuSigned by:

 4BC123FC78BA4F4...

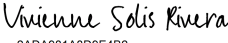
Signature Adoption: Drawn on Device
 Using IP Address: 124.47.163.185

Sent: 3/15/2024 3:59:51 PM
 Resent: 3/20/2024 9:46:44 AM
 Viewed: 3/20/2024 8:42:31 PM
 Signed: 3/20/2024 8:43:29 PM

Electronic Record and Signature Disclosure:

Accepted: 3/20/2024 8:42:31 PM
 ID: 546e08af-4c73-4f84-866d-cbc0dab2e57c

Vivienne Solis Rivera
 vsolis@coopesolidar.org
 Security Level: Email, Account Authentication
 (None)

DocuSigned by:

 2ADA981A8D9E4B2...

Signature Adoption: Pre-selected Style
 Using IP Address: 186.177.191.110

Sent: 3/15/2024 3:59:52 PM
 Viewed: 3/17/2024 7:59:12 PM
 Signed: 3/17/2024 8:00:35 PM

Electronic Record and Signature Disclosure:

Accepted: 3/17/2024 7:59:12 PM
 ID: d75895e3-2f86-4528-aa64-1a9cf53b84c5

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp****Witness Events****Signature****Timestamp****Notary Events****Signature****Timestamp**

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/15/2024 3:59:53 PM
Certified Delivered	Security Checked	3/17/2024 7:59:12 PM
Signing Complete	Security Checked	3/17/2024 8:00:35 PM

Payment Events	Status	Timestamps
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