

World Tourism Day: TUI Care Foundation provides impact funding to support sustainable tourism entrepreneurs

- *Support for impactful small businesses through a blended finance approach - combining grant and no-cost or low-cost loans to support sustainable growth*
- *Participating businesses also benefit from non-financial support, such as mentoring and exposure to further investment opportunities*
- *Impact loans support sustainable tourism businesses like Chako Zanzibar, which upcycles glass and plastic waste into new, high-quality products; and Milot Hydroponics, a business that grows fresh produce in Sal, Cabo Verde*

Berlin, 27th September 2024. *Entrepreneurs in low and middle-income countries often face significant barriers to accessing capital, particularly those who are dedicated to creating positive social and environmental impact. These entrepreneurs often struggle to secure funding due to perceived high risks and the high cost of acquiring capital from local financial institutions. On World Tourism Day, the TUI Care Foundation announces a solution to bridge this gap, by offering financial support to entrepreneurs who are committed to purpose-driven and impactful business practices.*

Focusing on entrepreneurs in tourism destinations, the TUI Care Foundation provides access to different types of financing, depending on the needs of the entrepreneur. As well as regular grants, organisations can now seek support from the TUI Care Foundation via a loan or a blended finance approach. This combines a grant to achieve positive social or environmental objectives and a low or no-cost loan to invest in assets or other infrastructural improvements necessary for growth.

By offering low or no-cost capital to entrepreneurs who want to make a difference to their communities, the fund acts as a catalyst for them to demonstrate investment-readiness and business growth, and to attract further investment. The TUI Care Foundation's financing is sector-agnostic, supporting a wide range of entrepreneurs in line with its programmatic framework, which includes marine conservation, education, landscape restoration, wildlife protection, and cultural heritage preservation. Participating businesses also receive non-financial support through the TUI Care Foundation's extensive ecosystem, which offers access to market opportunities, professional mentoring in partnership with TUI Group, and technical assistance.

One of the investees is Chako Zanzibar, which has established a waste collection system for plastic and glass waste on the Tanzanian island and trains unemployed men and women to upcycle it into handcrafted items. Chako is the first guaranteed member of the World Fair Trade Organization (WFTO) in Zanzibar and a leader in promoting fair wages, working and living circumstances, as well as environmental awareness through re- and upcycling on the island. Blended financial support from the TUI Care Foundation, through no-cost debt as well as through the Destination Zero Waste programme's grant, is enabling Chako to expand their business and transition to renewable energy whilst welcoming international tourists to its upcycling facilities for guided tours. Chako has also benefitted from a year-long mentorship focusing on financial aspects such as establishing monthly management reports and using the information for planning and production controls. Through this support,

Chako has now invested in an automated system and increased presentations to find further investors.

Meanwhile, on the island of Sal in Cape Verde, the family-owned hydroponic agriculture business, Milot Hydroponics, has benefitted from a no-cost loan from the TUI Care Foundation to expand its production capacity. Milot was able to invest in new infrastructure including a cold storage room to increase the shelf life of its produce, as well as a branded delivery van to move stock at a faster pace. The business is now providing fresh produce such as lettuce and papaya to 15 of the island's biggest hotels and has increased its monthly revenue by 112%. By purchasing and consuming locally, the tourism industry decreasingly needs to rely on imported goods to bring high quality food to their customers' tables. The no-cost debt complements the grant awarded under the TUI Field to Fork programme, which Milot is employing to further contribute to a sustainable food supply chain, by setting up an internship programme on hydroponic agriculture and starting a sustainable tourism experience to engage visitors.

TUI Care Foundation
Pariser Platz 6a
10117 Berlin

www.tuicarefoundation.com

In addition to funding and mentoring, investees of the TUI Care Foundation also benefit from a unique opportunity to receive exposure to new markets and potential investors. In September 2024, eight Senegalese tourism start-ups received visits from European investors through the TUI Futureshapers Senegal programme. This gave them the chance to showcase their products and services and to pitch their business as to secure additional sources of funding.

This new debt-based funding route allows for private and philanthropic capital to be moved to sustainable tourism projects. By positioning this financial mechanism as a unique investment opportunity in the sustainable tourism space, the TUI Care Foundation aims to attract co-investors and act as a catalyst for positive change in tourism destinations.

About the TUI Care Foundation

Building on the potential of tourism as a force for good, the TUI Care Foundation supports and initiates projects which create new opportunities and contribute to thriving communities in tourism destinations all over the world. Connecting holidaymakers to good causes, it supports education and training opportunities for young people; drives the protection of natural habitats and the marine environment; and helps local communities to thrive sustainably and benefit from tourism. The TUI Care Foundation builds on strong partnerships with local and international organisations to create meaningful and long-lasting impact. The independent charitable organisation was founded by TUI, one of the world's leading tourism businesses, and is based in the Netherlands. www.tuicarefoundation.com

Contact:

TUI Care Foundation
Anna-Lena Strehl
Head of External Affairs
+49 151 22952553
anna.lena.strehl@tui.com