

IMPACT INVESTMENT IN MARINE PROTECTED AREAS

Blue finance



2018, PROJECT DESCRIPTION
STRICTLY PRIVATE & CONFIDENTIAL

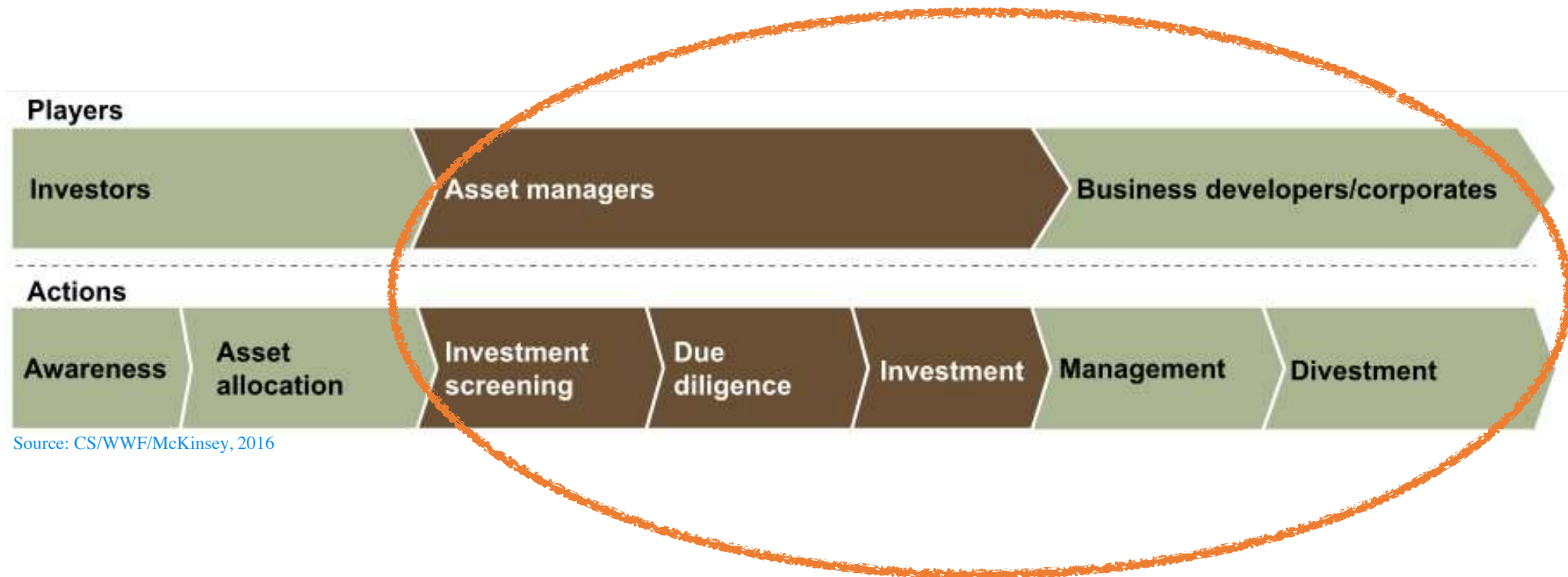
The Blue finance mission is to ensure efficient management and sustainable financing of **Marine Protected Areas**.

- **Objective:** Provide a diversified **portfolio** of investments in **marine protected areas**.
- **Impact:** Structured investments in **coral reef** conservation, livelihood improvements and climate change resilience for **coastal communities** in the Caribbean and SE Asia (contribute to SDGs n°14, 1, 5, 8 and 13).
- **Return:** **Senior eight-year loan** with quasi-equity.
- **Revenue streams:** Generated from **statutory visitor fees** and **innovative tourism activities**.

OVERALL STRATEGY

Where does Bluefinance fit in the impact industry value chain?

Blue finance sources, develops and manages a portfolio of investments in Marine Protected Areas. The portfolio responds to impact investor needs in terms of size, risk profile and impact measurements.



THE APPROACH



THE APPROACH

- Blue finance structures **agreement** between Government and local NGOs to **co-manage** Marine Protected Areas (MPAs).
- **No** increase in public debt, **no** on-public budget allocation, **no** transfer of property, Government **maintains** its core functions.
- The MPAs generate revenue streams from **statutory visitor fees** and **innovative** tourism activities. They receive their initial funding from **impact investors**.
- Co-management approaches have proven to be an **effective solution** in many countries (e.g. Bonaire, Belize, Dominican Republic, Indonesia, St Lucia ,etc.).

BLUE FINANCE TEAM AND PARTNERS

- Blue finance team and partners bring a **decade** of experience in structuring more than U\$220M of finance into over 75 Public-Private-Partnerships (PPPs) across 26 countries.
- The PPPs now generate more than US\$40M in commercial **revenues** per annum.
- Blue finance is developing new PPPs in 4 **Caribbean** countries and 3 countries in **SE Asia**.
- Blue finance is a NGO acting under the institutional umbrella of United Nations Environment and PEMSEA (Partnerships in Environmental Management for the Seas of East Asia)
- Partners include Althelia Ecosphere, Conservation Capital, Deloitte and Ropes&Gray lawyer.
- The NGO is based in France, with operating hubs in Barbados and Philippines.



althelia
ecosphere



CONSERVATION
CAPITAL

Deloitte. **ROPES & GRAY**

BLUE FINANCE TEAM AND PARTNERS

Experienced team and partners with a long track record and expertise in community development, fishery management, marine ecology, conservation finance, public-private partnerships and business planning.



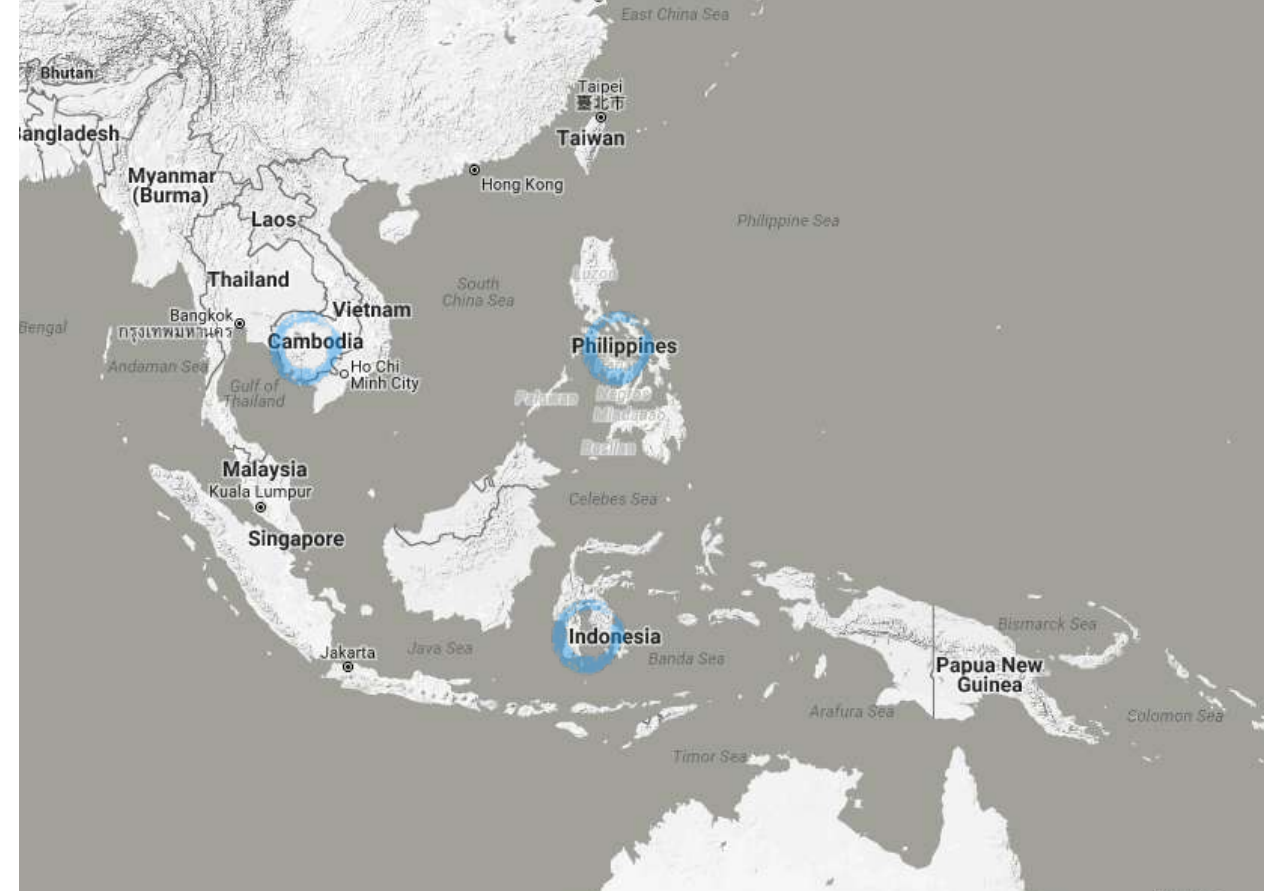
PROJECTS



THE EXPECTED IMPACTS



- Our projects ensure efficient management and sustainable financing of Marine Protected Areas (MPAs).
- The MPAs encompass several types of subareas such as fishery areas, tourism areas and conservation areas.
- Benefits include food and incomes for local communities, opportunities for tourism businesses, protection from coastal erosion and a country more resilient to climate change.



The current projects in the Caribbean are in [Antigua&Barbuda](#), [Bahamas](#), [Barbados](#), [Dominican Republic](#) and [St Kitts&Nevis](#).

The current projects in SE Asia are in [Cambodia](#), [Indonesia](#) and [Philippines](#).

THE MPA PROJECTS

Dominican Republic: co-management of the Marine Sanctuary "Arrecifes del Sureste"

- 8000km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 16,000 households
- 3.5M visitors (2016)
- Investment: US\$2.5M

Bahamas: co-management of the SW New Providence Marine Management Area

- 90km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 4,000 households
- 4M visitors (2017)
- Investment: US\$3M



THE MPA PROJECTS

Antigua&Barbuda: co-management of 3 Protected Areas

- 33km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 800 households
- 1M visitors (2016)
- Investment: US\$2M

In progress



Barbados: co-management of the future Barbados Marine Management Area

- 70km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 6,000 households
- 1.2M visitors (2016)
- Investment: US\$2M

In progress



THE MPA PROJECTS

St Kitts&Nevis: co-management of the Marine Management Area

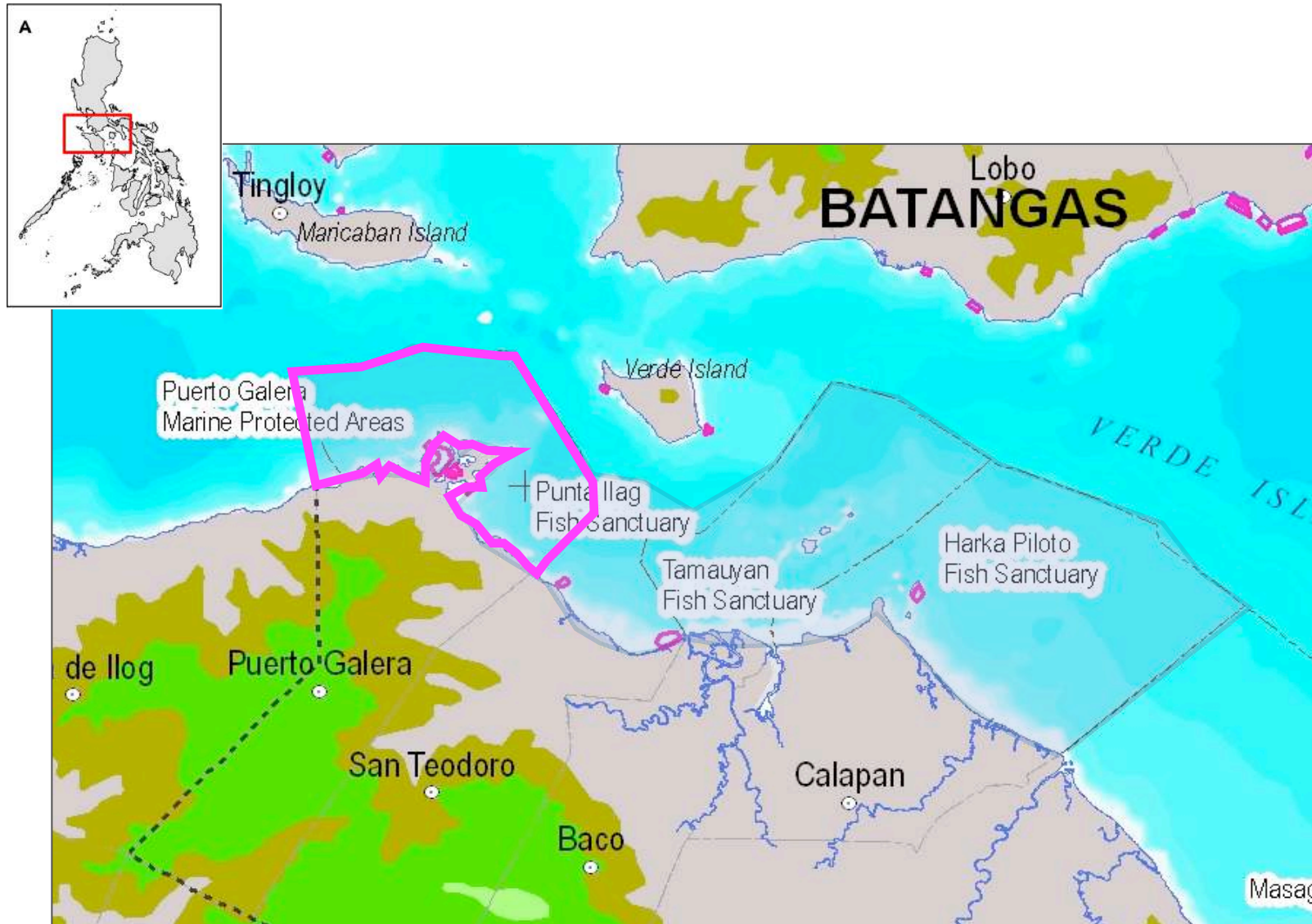
- 200km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 2,000 households
- 1.1M visitors (2016) , annual user fees > US\$0.7M
- Investment: US\$2M

Philippines: co-management of the MPA network in North Oriental Mindoro

- 440km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 35,000 households
- 0.4M visitors (2017)
- Investment: US\$1.5M



THE NORTH ORIENTAL MINDORO MPA NETWORK



THE IMPACT INVESTMENT

- Senior loan to a non-profit SPV Foundation in charge of the co-management of the North Oriental Mindoro MPA network
- 8y term, asset backed loan
- No collateral guarantee required from Foundation members nor Government
- Revenue streams > US\$1M p.a. generated from visitor fees and sustainable tourism activities
- Contributes to the sustainable management of 450km² of coastal ecosystems (incl. coral reef)
- Expected benefits for 35,000 households
- Food and fishery incomes for local communities, opportunities for tourism businesses, protection from coastal erosion and resilience to climate change.



THANK YOU

ALL CORRESPONDENCE REGARDING THIS PROJECT SHOULD BE ADDRESSED TO:

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Blue finance