IMPACT INVESTMENT IN MARINE PROTECTED AREAS
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 nº14, 1, 5, 8 and 13).

- **Return:** Senior eight-year loan with quasi-equity.

- **Revenue streams:** Generated from statutory visitor fees and innovative tourism activities.
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 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.
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

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
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
MPAs protect coral-reef habitats. Efforts to increase the number and extent of MPAs in the Verde Island Passage, and to protect non-coral habitats, are underway to fulfil the targets for habitat representation urged by various international policies, such as the Convention on Biological Diversity (CBD) and Coral Triangle Initiative (CTI).

Study design

We simulated seven spatially-explicit expansion scenarios, representing systematic and non-systematic planning approaches, of the MPA network in the Verde Island Passage (Table 1). These expansion scenarios were developed to demonstrate and compare their benefits in terms of achievement of objectives for habitat representation. Each expansion scenario was


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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 colateral 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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