PROJECT SUMMARY

Coasts and oceans are amongst the most productive ecosystems on the planet encompassing over 70% of the Earth's surface, providing an array of services and benefits that directly and indirectly support economic activity and growth, including protection from weather and natural hazards; climate resilience; global fisheries and aquaculture; energy; trade; tourism; and many others. The ocean is also by far the largest carbon sink in the world: it absorbs 20% to 35% of carbon emissions, and some 90% of the earth's carbon dioxide is stored and cycled through the oceans. From a monetary standpoint, the value of the ocean is vast: According to the World Wildlife Fund, services provided by marine bio-resources are valued conservatively at $2.5 trillion annually.

However, mounting development pressures mean that coastal habitats and fisheries are under siege from over-exploitation and acute environmental change. Over the past fifty years there has been a dramatic decline in the world's fisheries. Indeed, 90% of global fish stocks are now over exploited or fully exploited even as seafood demand is expected to grow by 50% by 2039. Deforestation of mangroves exceeds the rate of loss of terrestrial tropical forests by some three to five times and almost one third of all sea grasses have been lost. In parallel, 50% of the world's corals have disappeared. As natural assets are degraded, the ocean is losing its capacity to feed and provide livelihoods for hundreds of millions of people, and at the same time becoming a less reliable carbon sink for manmade greenhouse gas emissions.

The sustainable use of oceans is critical to poverty reduction, food security, livelihood sustainability and mitigating climate change. Improvements in coastal infrastructure and management practices can create tangible conservation outcomes and catalyze sustainable economic growth, supporting livelihood opportunities and outcomes for local stakeholders. A "Blue Economy" approach recognizes the need to de-couple socio-economic development from environmental degradation in marine environments.

This project proposes an equity investment into the Althelia Sustainable Ocean Fund (the "Fund"), which will in turn invest (primarily in the form of debt) into sustainable seafood businesses and four main opportunity areas of the "Blue Economy" listed below that capitalize on the management team's expertise and have proven links to livelihood and conservation outcomes and/ or support investments in sustainable fisheries and supply chains.

Sustainable seafood: To manage coastal resources and responsibly generate economic growth, as a first principal, future seafood demand must be met by a combination of well managed wild capture fisheries and sustainable aquaculture operations. Putting in place investment and management measures that allow fish stocks to rebound, while supporting improvements in productivity in aquaculture can shift production away from fragile marine environments, allowing needs to be met and resources to be conserved. Further value can be built both on and off the water by improving fish handling, processing and routes to market to increase the value of landed catch and avoid environmental and economic wastage.

Conservation related economic activities: investments in the sustainable development of ecotourism assets and services where finance and efforts can be channeled to support recognized conservation efforts such as the enhancement of marine protected areas or coral reef restoration.

Payment for ecosystem services: investments in maintaining and where possible, rehabilitating ecosystems so that they can continue to play an active role in climate change mitigation. These include mangrove conservation, coral reef conservation and blue carbon projects and payments for water quality enhancement.

Sustainable coastal infrastructure: investments into recycling of marine waste such as plastics, sewage and run off or wastewater, and the modernization or construction of other coastal assets that can have a tangible positive impact on ecosystem health within a project's surrounds.

Access to energy: investment in small-scale renewable energy generation, storage and distribution projects that can provide coastal communities with access to modern clean energy sources, among others. New, sustainable energy systems could also power infrastructure financed by the Fund, such as cold storage, fish processing facilities and even electric motors on-board fishing vessels.

The Fund will invest into sustainable green-field projects where investment can be considered catalytic or additional. The Fund will also support the scale-up of existing pilots and smaller projects that have demonstrated impact, economic performance, and local scale, and are poised to expand locally or regionally into new project areas with a similar /shared environmental and social context.