United Nations Global Compact

UN environment programme finance initiative

Sustainable Blue Economy

OCEAN INVESTMENT PROTOCOL - 2025

A multi-stakeholder plan to enable funding for the Sustainable Ocean Economy

OPENING STATEMENT

The Ocean Investment Protocol reflects the importance of scaling up and accelerating the transition to a Sustainable Ocean Economy, which we recognize as the use of ocean resources for economic growth, improved livelihoods and jobs while preserving the health of ocean ecosystems and associated services.

This transition, underpinned by action across our respective disciplines and industries, is vital to achieving a healthy, prosperous and sustainable future for our global ocean. In the Ocean Investment Protocol, we recognize our individual and collective roles in setting a clear vision for the transition to a Sustainable Ocean Economy.

To achieve this vision, a comprehensive foundation is needed for the ocean economy to transform into a Sustainable Ocean Economy. For the ocean economy to support the needs of a sustainable future, investment and finance for the ocean must also change. We, therefore, recognize the need for our financial ecosystem to evolve, to integrate nature into decision-making and to capture the opportunities presented by the Sustainable Ocean Economy at all levels — across financial and risk institutions, industry, governments and development finance.

The Ocean Investment Protocol provides a foundation for this evolution, and seeks to grow connective tissue across these different stakeholder groups and their initiatives, resources and frameworks to foster a sustainable ocean economy.

The audience-specific and cross-cutting recommendations of the Ocean Investment Protocol aim to capture the key interventions required for a global scaling up and acceleration of activity for the transition to a Sustainable Ocean Economy.

The recommendations outlined in this Protocol support the critical actions needed from each stakeholder group to achieve the goals of the Paris Agreement, Kunming-Montreal Global Biodiversity Framework and the High Level Climate Champions' Ocean Breakthroughs.

Sanda Ojiambo
CEO & Executive Director of the UN Global Compact
Assistant Secretary General

FOREWORD

The ocean is reaching a turning point. Once a powerful buffer against climate change, it is now absorbing carbon at an unsustainable rate, pushing us dangerously close to breaching a seventh planetary boundary — ocean acidification. This creeping crisis threatens marine life, disrupts climate stability and endangers billions of people who depend on the sea. The science is clear: without urgent intervention, we risk not only the health of our ocean but the prosperity of future generations. The transition to a Sustainable Ocean Economy is not an option — it is an imperative.

Governments and policymakers must step up to support financial institutions. Banks, insurers and investors have rightly been expected to lead, but in an era of increasing regulatory complexity and an evolving geopolitical landscape, they can no longer act alone. Without clear policy signals, robust regulation and strategic public investment, private capital will not flow at the scale or speed required to protect and restore the ocean. The role of policymakers has never been more important.

By 2050, the market value of a refocused, sustainable and fairly shared ocean economy is projected to reach 5.5 trillion USD.[1] A thriving Sustainable Ocean Economy depends on bold partnerships to unlock investment and de-risk opportunities. Governments can support this by creating enabling regulatory environments, collaborating with insurers to provide financial safety nets that make sustainable ocean investments less risky and more attractive to investors, and facilitating innovation in areas such as blue bonds and loans.

Public finance can be leveraged strategically to catalyze private capital, while insurance solutions, such as parametric coverage and marine risk assessments, can provide resilience against climate shocks. It is also vital to ensure that financial inclusion extends to coastal communities, securing a just transition for all.

The Ocean Investment Protocol (OIP) offers a blueprint for this transformation. It calls on policymakers to lead in shaping a global investment landscape that rewards sustainability, innovation and resilience. The solutions exist — offshore renewables, nature-based coastal defenses, sustainable seafood systems — but they will only scale if governments set the right conditions for success.

This is our moment to redefine ocean finance so that economic growth and ocean health are not in conflict but in partnership.

We invite policymakers, financial institutions, and industry leaders to act now and turn our ocean economy into a Sustainable Ocean Economy — one that serves people, the planet and prosperity for generations to come.

Eric Usher
Head, UNEP Finance Initiative

1. Available from the High Level Panel for a Sustainable Ocean Economy's Article "The Ocean as a Solution to Climate Change: Five Opportunities for Action". See at (https://oceanpanel.org/publication/the-ocean-as-a-solution-to-climate-change-five-opportunities-for-action/).

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EXECUTIVE SUMMARY

A Sustainable Ocean Economy (SOE), based on a healthy and vibrant ocean, is essential to safeguarding biodiversity, vital ecosystem services, food security, livelihoods and prosperity. It is central to achieving the targets of the Sustainable Development Goals (SDGs), the goals of the Paris Agreement and the targets of the Kunming-Montreal Global Biodiversity Framework. The ocean economy is already equivalent in size to the world's fifth largest economy,[2] as global markets are reliant on the ocean and its industries to support 90 percent of global trade volume.[3] The ocean economy is becoming increasingly central to global transitions in trade, infrastructure, energy, climate resilience, food security and regenerative tourism. A strong, large and innovative Sustainable Ocean Economy will be necessary to support the transition to green economies as demand increases for decarbonized shipping, green port infrastructure, offshore renewable energy, and sustainable food systems.

With clear indicators from industry and from governments, private capital has the opportunity to make a return on the transition towards a Sustainable Ocean Economy by investing in the future of trade, port and energy infrastructure, food systems and opportunities in emerging sectors. In shipping, the International Maritime Organization (IMO) set a sector target of net-zero emissions by 2050.[4] With a clear pathway for decarbonization,[5] there lies a unique investment opportunity in zero-emission fuels and advanced biofuels, in green shipping corridors and ports and in other zero-carbon shipping infrastructure. In energy, it is estimated that annual offshore wind installations must grow ninefold[6] from the 8.8 GW installed in 2022 to 80 GW by 2030 and thereafter 70 GW up to 2050 in order to reach the 1.5°C target of the Paris Agreement. In food systems, the ocean makes a significant contribution to food security and nutrition. It also holds the potential to play an even bigger role in the global food system by sustainably feeding the world's population under changing environmental, social and climate conditions, creating new opportunities in the fisheries and aquaculture sectors, provided these are managed sustainably.[7] In addition to the ocean's vast potential for greening economies, it generates 50 percent of the oxygen we need and absorbs 25 percent of all carbon dioxide emissions, making it the world's largest 'carbon sink' and one of the main repositories of the world's biodiversity.[8]

This Ocean Investment Protocol (or Protocol) is a framework for financial institutions, (re)insurers, ocean industries, governments and development finance institutions (DFIs) to lead the growth of the Sustainable Ocean Economy (or SOE) to achieve SDG14 and other related SDGs. By managing risks and capturing opportunities, these stakeholders have a central role to play — individually and collectively — to make the transition to a healthy ocean. The Protocol is a framework for these stakeholders to unlock and scale up private capital in order to collectively lead the growth of the SOE to achieve SDG14 and other related SDGs.

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2. Available from Organisation for Economic Co-operation and Development's Article "The Ocean Economy to 2050". See at (https://www.oecd.org/en/publications/2025/03/the-ocean-economy-to-2050_e3f6a132.html)
3. Available from Organisation for Economic Co-operation and Development's "Ocean" webpage. See at (https://www.oecd.org/ocean/topics/ocean-shipping/)
4. Available from UN Trade and Development's Article "Net-zero by 2050: Achieving shipping decarbonization through industry momentum and the new ambition at IMO". See at (https://unctad.org/news/transport-newsletter-article-no-108-net-zero-by-2050#:~:text=The%20IMO%20has%20set%20a%20clear%20pathway%20for%20decarbonization&text=These%20targets%20combined%20set%20a,a%20just%20and%20equitable%20transition)
5. Available from Organisation for Economic Co-operation and Development's "Ocean Shipping" webpage. See at (https://www.oecd.org/ocean/topics/ocean-shipping/)
6. Available from Global Wind and Energy Council's "Offshore Wind Report 2023." See at (https://gwec.net/wp-content/uploads/2023/08/GWEC-Global-Offshore-Wind-Report-2023.pdf)
7. Available from the Ocean Decade's "Challenge 3: "Sustainably feed the global population" webpage. See at (https://oceandecade.org/news/vision-2030-wg3-investigates-role-of-aquatic-foods-in-sustainably-feeding-growing-global-population/)
8. Available from the United Nations' "Climate Action" webpage. See at (https://www.un.org/en/climatechange/ocean-–-world's-greatest-ally-against-climate-change#:~:text=Our%20ocean%20generates%2050%20percent,vital%20buffer%20against%20climate%20impacts)

In order to do so, a number of critical needs must be met by all stakeholders. These include:

1. An increase in ocean literacy and a broad understanding of its relevance and importance across stakeholders;
2. A scaling up of access and availability of ocean data and measurement based on reliable methodology that is both usable and accessible to decision-makers across audiences;
3. Implementation of globally recognized ocean standards for sustainable investments/ operations across sectors and regions;
4. The identification of a global pipeline of ocean-based investment that meets the requirements of large, market-based ocean investors; and
5. The fostering of a welcoming, supportive regulatory environment to guide commercial and investment activity, supported by the objectives of the High-Level Climate Champions' Ocean Breakthroughs.

This document will therefore guide financial institutions, insurers and reinsurers, ocean industries, governments and development finance institutions to manage risks and understand opportunities to increase energy security, food security and transport security, while advancing sustainable solutions that meet the needs detailed above.

While ocean and coastal environments are important across the global economy, the scope of this Protocol is limited to ocean-specific industries, those that are situated within these environments or have a direct impact on them. On this basis, the Protocol's recommendations relate specifically to:

1. Seafood, including wild caught fisheries and aquaculture production, and their value chain;
2. Shipping, including vessel operation and recycling;
3. Port operation and renewable power generation for ports;
4. Marine renewable energy development, construction, operation and decommissioning;
5. Coastal and marine tourism, including tourism development, construction and operation in ocean and coastal zones and cruise ship operation;
6. Waste management in coastal zones and the prevention of ocean-bound waste, including plastic pollution;
7. Coastal infrastructure development, including coastal defence and climate adaptation;
8. Conservation, restoration and protection of habitats and species in ocean and coastal environments;
9. Ocean-related Research, Development and Innovation (RDI) across all of the above and
10. Nature-based solutions across all of the above.

In addition, the scope of the Protocol includes interlinkages across audiences, with recommendations that cut across individual stakeholder groups to raise awareness and collective action for the SOE, particularly by governments and DFIs. The recommendations of the Protocol call for interventions by financial institutions, ocean industry participants, governments and DFIs that underpin the transition to an SOE.

A. Financial institutions

Financial institutions, including banks and investors, have a central role to play in the transition to a Sustainable Ocean Economy, both in terms of the nature-positive and climate-neutral opportunities they can finance and incentivize, and the harmful impacts they can avoid. To that effect, the below recommendations outline some of the key steps banks and investors can take in supporting and enabling the transition:

1. Build capacity and conduct risk assessment related to the ocean economy;
2. Source and publicly disclose relevant ocean-related data on impact, dependencies and processes and risks, as appropriate;
3. Understand what is eligible for SOE finance using UNEP FI, ICMA, and UNGC guidance;
4. Recognize the sustainable ocean economy as investable. Highlight potential financing and investing for, and in, sustainable ocean-based sectors;
5. Require high quality sustainability disclosures which fall within market and regulatory guidance;
6. Set targets informed by science;
7. Use matchmaking platforms for pipeline development and visibility of SOE opportunities;
8. Engage with corporate boards and advocate for sustainability where possible;
9. Consider action to avoid harm to the marine environment; and
10. Sign the Sustainable Blue Economy Finance Principles.

B. (Re)insurance

(Re)insurers can play an essential role in scaling up finance for the Sustainable Ocean Economy through both their expertise in assessing and managing risk and providing critical insurance to support and provide financial protection to ocean industries. Where insurers also act as investors, they may also refer to the recommendations for financial institutions above:

1. As (re)insurers, support sustainable practices by considering the risks that shape how businesses engage in the ocean;
2. Scale up ways that (re)insurance can support blended finance opportunities for a Sustainable Ocean Economy;
3. Scale up the use of existing instruments to support the resilience and investability of ocean industries;
4. Manage the risks associated with ocean industry investment opportunities;
5. Continue to build new tools with the capability and capacity to assess and manage climate and nature-related risk for ocean industries; and
6. Consider individual action to avoid harm to the marine environment.

C. Ocean Industries

With respect to the Sustainable Ocean Economy, companies should understand the full environmental and social consequences of their activities. Companies should ensure that material ocean-related risks and opportunities are assessed, and integrated in corporate strategy, risk management and reporting. Relevant responsibilities should be clearly defined within the organization, and sustainability metrics should be included in company performance and incentive structures. Impact is strongest when a company's board guides, monitors and reviews company management in these efforts:

1. Deliver change by aligning business practices with the UN Global Compact Sustainable Ocean Principles;
2. Strengthen capacity and raise awareness of ocean sustainability issues;
3. Evaluate the company's impact and dependencies on the ocean;
4. Generate, utilize and interpret environmental, social and governance (ESG) data to consistently measure progress;
5. Set targets informed by science;
6. Develop action plans to respond to material impacts and dependencies on the ocean;
7. Publicly disclose relevant sustainability information;
8. Foster innovation and increase funding for research & development;
9. Advocate for supportive regulations and incentivization of sustainable practices; and
10. Link performance to sustainable outcomes.

D. Governments

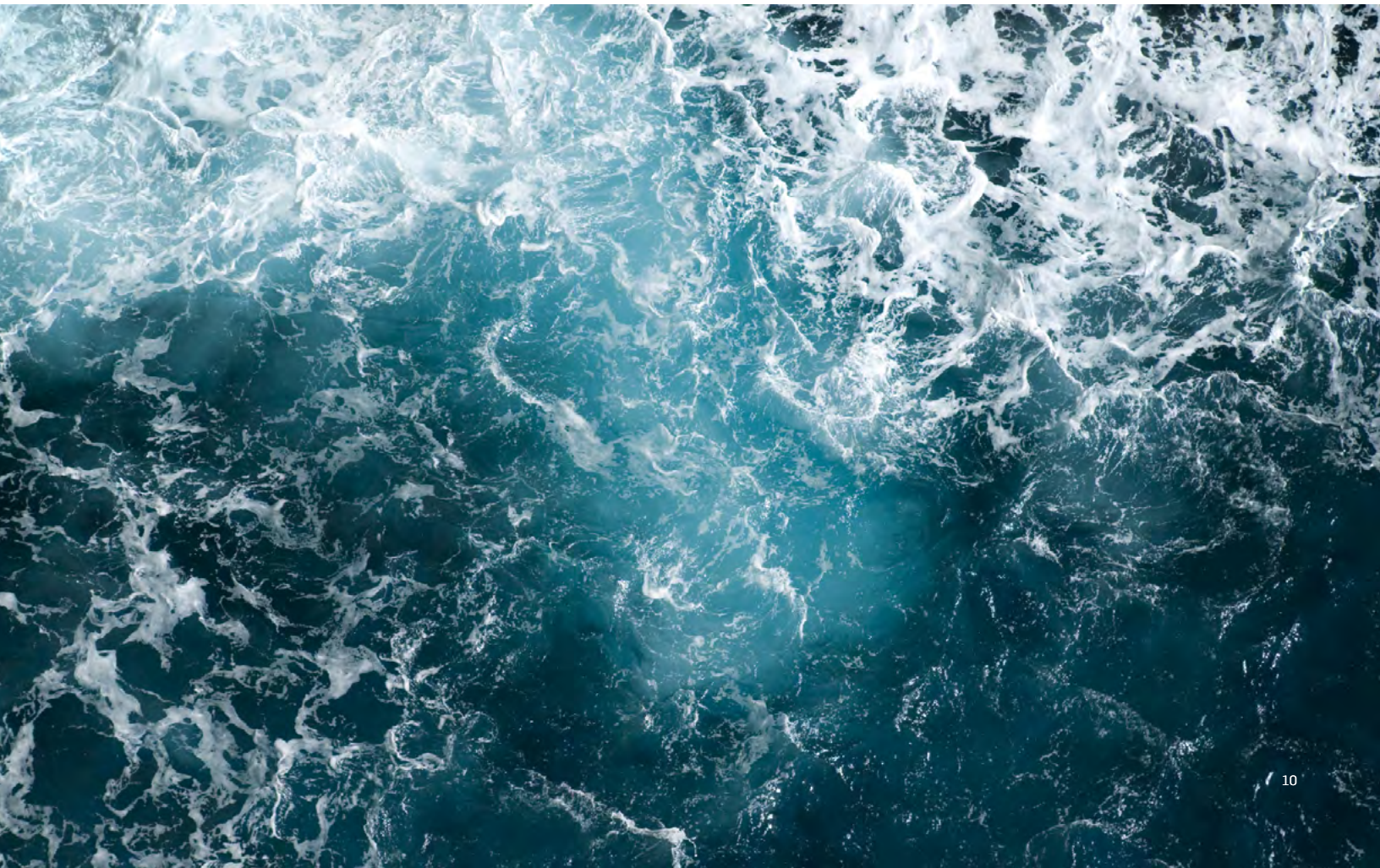
An enabling environment provided by the public sector is essential for the private sector to establish and accelerate the transition to sustainability in the ocean economy. The below recommendations are put forward to the public sector to reinforce and expand this enabling environment:

1. Recognize sustainable ocean investment as a climate and nature solution and align policies with the 1.5C° target;
2. Articulate development strategies for ocean and coastal environments through Sustainable Ocean Plans. Phase out harmful subsidies that do not align with these strategies;
3. Implement marine spatial plans;
4. Develop national ocean accounts that capture the value of ocean economy sectors and the state of the ecosystems on which they depend;
5. Leverage public capital to support the transition and enable finance to flow;
6. Stimulate access to fair financial services in coastal communities;
7. Centre coastal communities and indigenous peoples in decision making and take local, traditional and indigenous knowledge into account;
8. Foster bundling of small-scale ocean economy opportunities.

E. Development Financing

Greater public sector development finance can serve as a catalyst for private finance, and global momentum exists for development finance institutions (DFIs) to work collectively on nature, people and planet as outlined by the world's leading multilateral development banks at COP 26. Within this context, DFIs have played, and continue to play, an important role in supporting the transition to the Sustainable Ocean Economy, for example through the development of SOE strategies and investment frameworks. The below recommendations aim to push the boundaries of what DFIs can do to effect change:

1. Lead the way in building a holistic, nature-positive approach to financing the Sustainable Ocean Economy;
2. Improve the sharing of knowledge and information;
3. Foster SOE development in the Global South;
4. Encourage bundling of small-scale ocean economy opportunities;
5. Support growth in thematic and sustainability-linked products;
6. Support pipeline development by linking SOE projects with wider development objectives;
7. Support, use and replicate matchmaking and community-building initiatives in different markets where relevant;
8. Include Nature-based Solutions across infrastructure finance whenever possible;
9. Support the development of the Cartagena Finance in Common Blue Finance Roadmap;
10. Allow for implementation at pace of SOE projects;
11. Take action to de-risk SOE projects.



INTRODUCTION

The ocean flows freely across national and administrative boundaries, carrying litter, pollution, riches and resources from coast to coast. A Sustainable Ocean Economy (SOE), based on a healthy and vibrant ocean, is essential to safeguard biodiversity, vital ecosystem services, food security, livelihoods and prosperity. It represents all continents and encompasses large, maritime related multinationals and small and medium-sized enterprises (SMEs), major banks, institutional investors and multilateral development banks (MDBs), national governments, prominent research institutions and academia, NGOs, and relevant regional and UN regulatory bodies. It is also central to achieving the targets of the Sustainable Development Goals (SDGs), the goals of the Paris Agreement and the targets of the Kunming-Montreal Global Biodiversity Framework. However, while an SOE represents significant opportunities for development and investment, the business-as-usual approach that creates and subsidizes harmful impacts to the ocean from activities both on land and at sea undermines the ocean's long-term health, productivity and the prosperity of those whose livelihoods depend on the ocean and coastal zones.

What is a Sustainable Ocean Economy (SOE)?

According to the High Level Panel for a Sustainable Ocean Economy, a Sustainable Ocean Economy is "the use of ocean resources for economic growth, improved livelihoods and jobs while preserving the health of ocean ecosystems and associated services.[9]" This term is used throughout this document to outline the sustainable future to which the recommendations of the Ocean Investment Protocol contribute. In this context, the term is aligned with the 'Sustainable Blue Economy', a term used by WWF and UNEP FI, which is used here when referring to the specific outputs of these institutions.

What is an ocean economy?

An ocean economy is a catch-all phrase for economic activity taking place within ocean ecosystems — regardless of their sustainability performance. It is used in this document in contrast to the SOE to describe the current state of economic activity in the ocean and is also used to highlight where improvements and changes to support the transition to sustainability can be made across sectors. Unlike the SOE, the 'ocean economy' includes unsustainable sectors like offshore oil and gas.

This presents clear risks to the private sector,[10] financial institutions and governments. The intrinsically interlinked, mutually dependent aspects — related to conservation and exploitation of marine resources, maritime industrial development, sustainable blue economic development and a more just and equitable distribution of prosperity for a growing world population — can only be addressed by a holistic, cooperative and inclusive approach involving representatives of all relevant stakeholder groups. Therefore, collectively and at global, regional, national and community levels, greater action for investment in the SOE is needed, and long-term ocean investments must factor in risks and opportunities connected to the potential of ocean solutions in a holistic manner.

9. Available from the High-Level Panel for a Sustainable Ocean Economy's "The Ocean's Importance" webpage. See at (https://oceanpanel.org/the-oceans-importance/)
10. Estimated by WWF as carrying a global cost of up to US$8.4 trillion over the next 15 years. See at (https://files.worldwildlife.org/wwfcmsprod/files/Publication/file/7gjie6zfb1_Getting_Underway_2024_1406_FINAL.pdf

While marine and coastal environments are important across the global economy, the scope of this document is limited to ocean-specific industries, those that are situated within these environments or have a direct impact on them. On this basis, the Ocean Investment Protocol's recommendations relate specifically to:

1. Seafood, including wild caught fisheries and aquaculture production, and their value chain;
2. Shipping, including vessel operation;
3. Port operation and renewable power generation for ports;
4. Marine renewable energy development, construction, operation and decommissioning;
5. Coastal and marine tourism, including tourism development, construction and operation in ocean and coastal zones, and cruise ship operation;
6. Waste management in coastal zones and the prevention of ocean-bound waste;
7. Coastal infrastructure development, including coastal defence and climate adaptation;
8. Conservation, restoration and protection of habitats and species in ocean and coastal environments;
9. Ocean-related Research, Development and Innovation (RDI) across all of the above;
10. Nature-based solutions across all of the above.

The role of these ocean industries and activities, and their finance value chains, is instrumental for the world to meet the 17 SDGs by 2030 and climate and nature targets in 2050, and represents both risks to manage and opportunities to capture.[11] In order to meet certain climate targets in the ocean, it is estimated that $1 trillion of additional finance is needed by 2030, and $2 trillion in total finance between 2030–2050.[12] These figures don't factor in the wider range of other solutions needed in the ocean.

Purpose

The Ocean Investment Protocol is a framework for financial institutions, ocean industries, governments and development finance institutions (DFIs) to collectively lead the growth of the global SOE to achieve SDG14 and related SDGs. This document will guide financial institutions, ocean industries, governments and DFIs and to better understand opportunities to increase energy security, food security and transport security while advancing sustainable solutions.

The Protocol defines sector-based recommendations and actions, which are aligned with best practice, consistent with relevant international agreements and based on science-based industry standards and regulations, and the UN's focus on climate, nature, society and governance. The recommendations of this Protocol call for interventions in business, investment and governance that underpin the transition to an SOE, including frameworks and standards that the private sector can follow to implement the transition. The Protocol recognizes the additional needs and opportunities of the transition to an SOE in the Global South in safeguarding a healthy and vibrant ocean, and its recommendations aim to respond to the different requirements for investment in emerging markets.

The Ocean Investment Protocol and its recommendations have been developed to provide a clear, united vision on harnessing capital to capture the opportunities within the SOE and redirecting investment away from ocean harm.

The Need for an Ocean Investment Protocol

There are clear needs that must be addressed to scale and accelerate finance for a sustainable ocean, which highlight the importance of a systemic Ocean Investment Protocol with a broad audience. Importantly, these needs cannot be met without coordinated action across stakeholder groups.

11. Ocean industries vary in nature of operation and function, and play different critical roles for climate and sustainability targets, all representing great investment futures; decarbonization, increased renewable capacity, sustainable seafood, nature positive output and hundred percent well managed oceans. The 2050 market value in a reinvested, sustainable and redistributed ocean economy has an estimated 5,5 trillion USD.
12. The Ocean as a Solution to Climate Change: Summary for Decision Makers Updated Opportunities for Action. p.6. High Level Panel for a Sustainable Ocean Economy

These include:

1. An increase in ocean literacy and a broad understanding of its relevance and importance across stakeholders;
2. A scaling up of access and availability of ocean data and measurement that is both usable and accessible to decision-makers across audiences;
3. Implementation of globally recognized ocean standards for sustainable investments/ operations across sectors and regions;
4. The identification of a global pipeline of ocean-based investment that meets the requirements of large, market-based ocean investors; and
5. The fostering of a welcoming, supportive regulatory environment to guide commercial and investment activity, supported by the objectives of the High-Level Climate Champions Ocean Breakthroughs.

This document therefore guides financial institutions, insurers and reinsurers, ocean industries, governments and development finance institutions to manage risks and understand opportunities to increase energy security, food security and transport security, while advancing sustainable solutions that meet the needs above. The Ocean Investment Protocol sets out clear recommendations across audiences to address these needs in a systematic way (see System Map in Recommendations, below). It combines principles of best practice with government, industry and finance targets to unlock capital for the Sustainable Ocean Economy in order to:

- Support the development of sustainable ocean plans and the target of 100 % sustainable management of ocean areas under national jurisdiction;
- Align policies and business practices with the target of limiting warming to 1.5°C;
- Adopt targets and commitments for reduced impact on nature, and on restoration;
- Support a just and equitable transition; and
- Support science-based decision making and global collaboration.

To provide the market and governments with illustrative core components of what financing needs exist across key sectors to achieve an SOE, the Marrakesh Partnership and the UN High Level Climate Champions have identified a set of ocean breakthroughs across key areas and sectors of the SOE:

Ocean Breakthroughs	
Marine Conservation	By 2030, investments of at least $72 billion secure the integrity of ocean ecosystems by protecting, restoring and conserving at least 30% of the ocean for the benefit of people, climate and nature.
Ocean-Based Transport	By 2030, zero emission fuels make up 5% of international shipping's energy demand. 450,000 seafarers need to be retrained and upskilled. At least 30% of global trade needs to move through climate-adapting ports.
Ocean Renewable Energy	By 2030, install at least 380 GW of offshore wind capacity while establishing targets and enabling measures for net-positive biodiversity outcomes and advocate for mobilising $10 billion in concessional financing for developing economies to reach that goal.
Aquatic Foods	By 2030, provide at least $4 billion per year to support resilient aquatic food systems that will contribute to healthy, regenerative ecosystems and sustain food and nutrition security for three billion people.
Coastal Tourism	By 2030, $30 billion per year is invested to support halving emissions of coastal tourism, and additional investments are made to build the resilience of local communities and to recover and protect ecosystems to sustainably manage tourism in island and coastal destinations most vulnerable to climate change.

Given their common purpose and aligned sector focus, the Ocean Breakthroughs are a key framework and north star for what the Ocean Investment Protocol needs to foster amongst its audience, and the recommendations made in this document are intended to align with the targets set as part of this campaign. Annex 3 offers a selection of case studies for each Breakthrough to provide examples of how stakeholders can operationalize the recommendations set forth in the Ocean Investment Protocol.

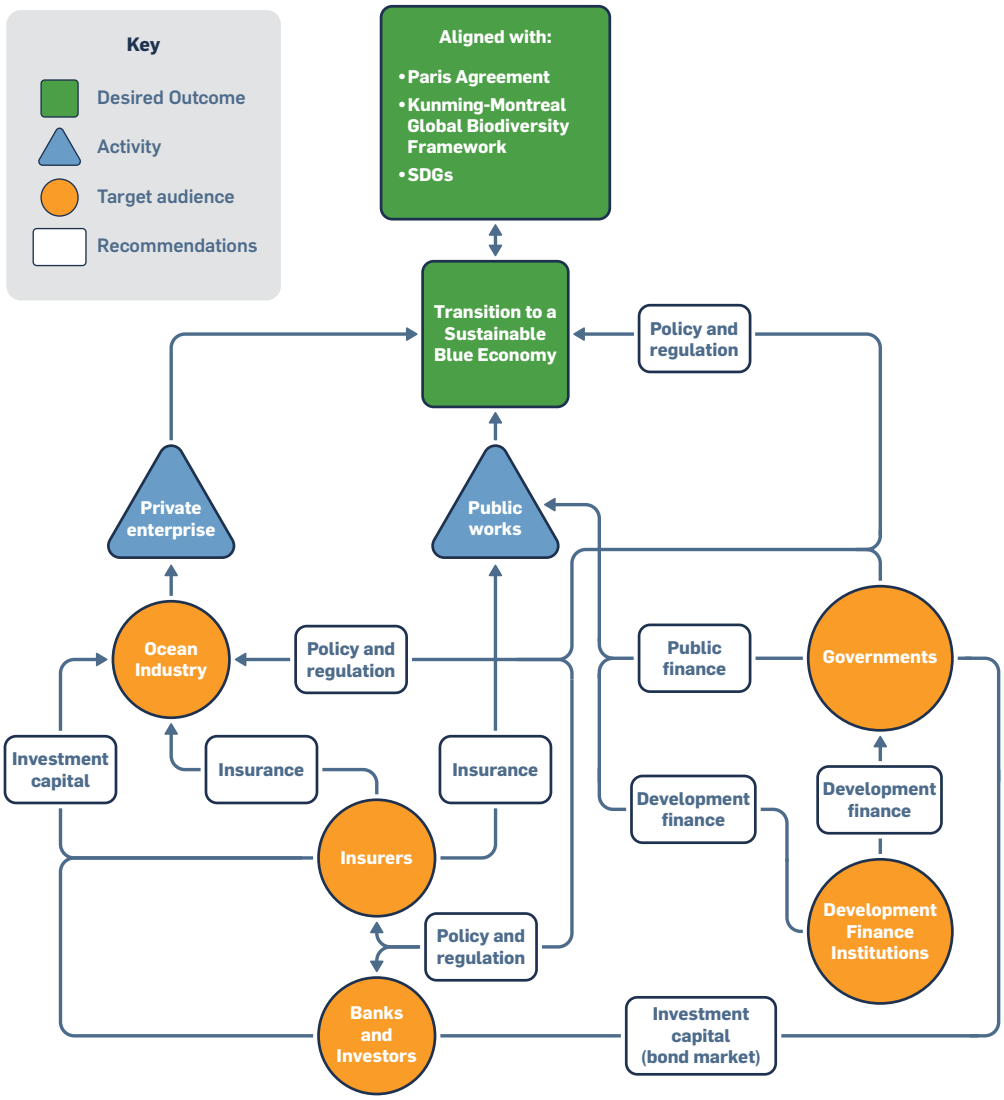
RECOMMENDATIONS

Responding to the needs outlined above, the recommendations of the Ocean Investment Protocol for investment and development by financial institutions, insurers and reinsurers, ocean industries, governments and DFIs aim to move the system of finance for the ocean towards sustainability, as presented in the System Map below. The scope of the Ocean Investment Protocol includes interlinkages across audiences, with recommendations that cut across individual stakeholder groups to raise awareness and collective action for the SOE as a whole, particularly by governments and DFIs.

RECOMMENDATIONS SYSTEM MAP

Arrows in the diagram below represent actions taken by target audiences including policy implementation, capital disbursement and regulation. The Protocol's recommendations target these actions as part of the transition to a Sustainable Ocean Economy.

SYSTEM MAP: FUNDING THE SUSTAINABLE BLUE ECONOMY



Source: Ocean Investment Protocol

A. Financial institutions

Financial institutions, including banks and investors, have a central role to play in the transition to a Sustainable Ocean Economy, both in terms of the nature-positive and climate-neutral opportunities they can finance and incentivize, and the harmful impacts they can avoid. To that effect, the recommendations below outline some of the key steps banks and investors can take in supporting and enabling the transition.

1. Build capacity and conduct risk assessment related to the ocean economy

In line with growing regulatory requirements and emerging voluntary frameworks for assessing and reporting on biodiversity and nature-related risk (notably the TNFD), financial institutions can look to prioritize the development of capacity to assess and understand exposure to social and environmental impacts, as well as risks (climate and nature) in the ocean economy, either through in-house capacity on assessment and engagement, or through partnership with third parties, and subsequently conducting the impact and risk assessments.

2. Source and publicly disclose relevant ocean-related data on impact, dependencies, processes and risks

Data gaps can begin to be addressed through increased sourcing and disclosure of both data sets and decision frameworks. Leverage the new recommendations and frameworks provided by the SBTI, SBTN, TCFD and TNFD, and disclose data on exposure to nature and biodiversity in ocean economy sectors — on impacts and dependencies, opportunities, and risks.[13,14]

Similarly, financial institutions may, where they have it and where applicable, disclose information on decision-making processes and policies (e.g. on environmental and social risk management for different sectors or use of guiding principles for sustainable transactions) that underpin sustainable financing. This helps to build a track record and enable standardization of practice for financing innovations for the Sustainable Ocean Economy. Such disclosure could unlock new insights and build data series to improve investment decisions in the market.

In this context, there is value in going beyond minimum requirements.

3. Understand what is eligible for SOE finance using UNEP FI and ICMA guidance

Two key resources can be important in how financial institutions enable finance to flow towards the Sustainable Ocean Economy. The first is UNEP FI's Sustainable Blue Economy Finance Initiative Sectoral Guidance, which is based on an understanding of environmental and social drivers, pressures and impacts in a given sector and the material risks these create for financial institutions. This guidance underpins a set of recommendations on action for financial institutions to incentivize the transition to sustainability at a sectoral level. Aligned with existing reporting standards such as the TCFD, TNFD, SBTI and SBTN, financial institutions can utilize this guidance for sector-level decision making on e.g. ESG risk management and setting material KPIs for ocean economy transactions.

Secondly, for bond issuances, the Bonds to Finance the Sustainable Blue Economy, a Practitioner's Guide, which reflects eligibility criteria and indicators for blue bonds under the ICMA green bond principles, provides a clear framework for what can be financed as a blue bond. The Climate Bonds Initiative similarly offers climate-related sector criteria for climate bond issuances in certain blue economy sectors, including marine renewable energy and shipping.

13. UNEP FI's PRB identified four action categories for impact management by banks, namely: policies and processes; portfolio composition and financial flows; client engagement, and advocacy and partnerships. These categories can serve as a source of inspiration for SOE-specific impact management. See at (https://www.unepfi.org/banking/bankingprinciples/)

14. The UNEP FI Impact Protocol offers a methodology to assess and manage impact and risks across portfolios, guiding institutions in aligning sustainability goals with financial decision-making. See at (https://www.unepfi.org/impact/impact-protocol/)

4. Recognize the sustainable ocean economy as investable. Highlight potential financing and investing for, and in, sustainable ocean-based sectors

The ocean economy offers substantial opportunities across different sectors for financing, and one of the most important things financial institutions can do is to get started with financing the SOE[15]. While labels such as 'green' and 'blue' finance are helpful to attract interest and build clarity on what financing opportunities exist, conflation between these terms should not undermine action on finance for the SOE. This can include:

- Prioritising financing sectors that offer opportunities for sustainability, including those that support the energy transition in offshore renewables, shipping and ports, as well as those that support a regenerative food system transition in areas such as aquaculture. Significant potential exists to scale out the opportunities in these industries into new markets;
- Considering utilising performance-based incentive structures, such as sustainability-linked bonds and loans, as well as blue bonds to finance these sectors;
- Adopting a flexible stance in the financial products being offered, allowing for adaptability to the transition needs of ocean sectors at different scales and in different markets.

5. Require high-quality sustainability disclosures

At the same time, many established sectors of the ocean economy require more support and action to transition to sustainability, including in shipping, tourism and seafood. For these sectors, requiring sustainability reporting and disclosure that includes both climate- and nature-related risks (in line with leading disclosure frameworks such as those developed by the ISSB and TNFD and aligned with government regulation) can help build understanding of the steps required to make the transition.

6. Set targets informed by science

In line with new recommendations under the TNFD and through e.g. Principles for Responsible Banking (PRB), financial institutions can identify exposures to material risks in the ocean economy and set targets to address impact. New resources are rapidly becoming available to support the setting of ocean-specific sustainability metrics, indicators and targets. Sectoral guidance (including the UNEP FI Guidance highlighted above), third-party certification (such as the Aquaculture Stewardship Council, Marine Stewardship Council, and Global Dialogue on Seafood Traceability (GDST) standards for seafood), as well as existing and forthcoming ocean economy-specific recommendations and guidance from the SBTI, SBTN, TCFD and TNFD can help financial institutions to set SMART[16] targets across the Sustainable Ocean Economy.

7. Use matchmaking platforms for pipeline development and visibility of SOE opportunities

A growing number of matchmaking platforms, created both by the private sector and public bodies, are working to create opportunities in connecting finance with entrepreneurs that are addressing development gaps or demonstrating early-stage ventures in the ocean economy. Engaging with these platforms can aid in the discovery of investment pipeline for early-stage growth opportunities. In addition, NGO and public sector partners working alongside these platforms can provide support on ensuring these platforms are impactful, to minimize the risk of greenwashing and ensure credible opportunities in the Sustainable Ocean Economy.

8. Engage with corporate boards and advocate for sustainability where possible

In the context of prioritising finance for sustainability, many financial institutions, notably asset managers and owners, have positions of influence over how companies are governed. This influence (active ownership) can be leveraged to advocate for integrating sustainability into corporate governance and

15. This includes opportunities to uncover and build linkages to the ocean within existing terrestrial industries - for example in recognising the role of terrestrial renewables in decarbonising the shipping industry or managing the extent to which e.g. seafood production affects downstream activities like retail.

16. Specific, Measurable, Achievable, Relevant and Time-bound

practice, emphasize the importance of reporting and disclosure, and build the case for action for companies to implement a transition to sustainability.

9. Consider action to avoid harm to the marine environment

Financial institutions can assess their role in financing activities that may be considered damaging in nature, such as non-renewable and extractive sectors. When developing their strategy, financial institutions can refer to the UNEP FI and consider implementing recommended exclusions, which provide an overview of activities that are considered harmful in nature to the SOE.

10. Sign the Sustainable Blue Economy Finance Principles

Through implementing the preceding recommendations, institutions can demonstrate their alignment with the Sustainable Blue Economy Finance Principles (SBEFP). For institutions that are ready to commit to the reporting requirements of the Sustainable Blue Economy Finance Initiative, becoming a signatory to the Principles sends a powerful signal about commitment to sustainability. It also provides access to a community of financial institutions benefiting from peer-to-peer learning and sharing of tools and guidance to help implement the SBEFP.

B. (Re)insurance

(Re)insurers have the capability to support the way economies and industries are driven, through their expertise in assessing and managing risk, and providing critical insurance to support and provide financial protection to ocean industries. According to UNEP FI's Principles for Sustainable Insurance (PSI), insurance for a resilient nature-positive future promotes the dual role and responsibility of insurance:

- As an enabler of economic activities, addressing nature-related issues, including negative externalities such as drivers of nature loss;
- As a risk manager and risk carrier addressing emerging risks from nature loss and absorbing financial shocks to build resilience for communities and economies.

The recommendations below detail how the (re) insurance industry leverages these roles and helps enable the transition to a sustainable ocean economy. Where (re)insurers act as investors, they may also refer to the recommendations for financial institutions above.

1. Support sustainable practices by considering the risks that shape how businesses engage in the ocean

(Re)insurers can help to promote sustainable practices at sea by providing appropriately tailored and sufficient levels of cover to support their clients in the event of significant maritime incidents. As large-scale maritime incidents can pose serious threats to the environment, crew and local communities, an appropriate response is required to minimize these threats and later, appropriately restore the marine environment. By considering the environmental impact of insured activities, (re) insurers engage their clients to promote and incentivize best practice ocean stewardship and ensure the coverage reflects the associated risks. However, liability insurance can also create moral hazard — where coverage may lead to increased risk-taking behaviour. This underlines the importance of strong due diligence and governance to ensure that insurance products support, rather than undermine, sustainable outcomes.

(Re)Insurance can also support investment in the SOE through (re)insurance frameworks that embed sustainability considerations into insurance practices. Several insurers and brokers are affiliate members supporting the Poseidon Principles for Marine Insurance (PPMI), which encourage transparency in international shipping. These Principles provide a global framework for assessing and disclosing the carbon footprint of insurers' hull and machinery portfolios. The PPMI are a tangible example of how marine insurers can support the transition to net zero in shipping by starting with transparent assessments. The (re)insurance industry can support the SOE by voiding cover when overfishing or illegal activity is found to be taking place, as well as ensuring significant due diligence on ships insured.

2. Scale up ways that (re)insurance can support blended finance opportunities for a Sustainable Ocean Economy

(Re)insurers could have a powerful role to play in providing risk transfer mechanisms to increase the attractiveness of investment

opportunities in the Sustainable Ocean Economy by de-risking public and private sector investment in nature conservation, restoration and sustainable use of land and water resources while making innovative projects more attractive and bankable. The (re)insurance industry is well positioned to collaborate with broader financial services, governments, development finance institutions and other stakeholders to support the flow of private sector and blended finance into biodiversity and ecosystem by helping to manage both well-understood and emerging risks in the ocean, such as nature-related risks.

3. Scale up the use of existing instruments to support the resilience and investability of ocean industries

Insurers could help build resilient communities and support the investability of ocean industries by scaling innovative risk transfer mechanisms that protect against natural hazards and reduce nature-based risk.

Products like parametric insurance could play a role in this context. By increasing access to insurance and ensuring swift, reliable payouts, parametric insurance can help reduce the protection gap in coastal communities. It offers a way to quickly rebuild, in partnership with government, after an extreme weather event, which in turn helps to build coastal resilience and instil confidence in vulnerable industries and geographies.

4. Manage the risks associated with ocean industry investment opportunities

Insurers could enhance the attractiveness of investment opportunities in the Sustainable Ocean Economy through the provision of risk transfer mechanisms.

(Re)Insurance has supported the financing of offshore renewables by managing and transferring risk to bring new renewable assets into the risk appetite of investors. Insurers could also support the decarbonization of shipping by de-risking emerging energy technologies and sustainable fuel alternatives.

The supportive role that (re)insurance plays can be replicated for other emerging ocean industries to assist financing for the transition to a Sustainable Ocean Economy, such as innovations in aquaculture.

5. Continue to build new tools, capability and capacity to assess and manage climate and nature-related risk for ocean industries

The (re)insurance industry is in a unique position to build technical best standard practice for risk mitigation in the ocean economy. With regard to climate for example, (re)insurers can play a part in assisting and strengthening the safety of shipping both through their ability to help build technical best standard practice for risk mitigation and collaboration with wider industry bodies such as Classification Societies and industry associations. On climate risk for example, (re)insurers can contribute to a safe transition to net zero greenhouse gas emissions through the identification and mitigation of risks associated with new fuels and technologies.

With regard to nature in particular, (re)insurance can play a role alongside governments in the assessment of nature-related risks. The industry already incorporates environmental risk assessments into the underwriting process in some products, therefore enabling the (re) insurer to evaluate and quantify the associated risks. An example of this is the Coastal Risk Index, which uses climate change scenarios to calculate coastal flood risk and then quantifies the potential risk reduction benefits of coral reefs and mangroves. Alongside this, governments and other industries can strengthen coastal resilience through regulation and investment, while insurers can contribute to nature loss mitigation by proactively assessing and managing coastal risks.

To advance this role, (re)insurance could prioritize the development of capacity to assess and manage risk in line with growing regulatory requirements and emerging voluntary frameworks for assessing and reporting on biodiversity and nature-related risks (notably TNFD).

6. Consider individual action to avoid harm to the marine environment

By identifying risk and opportunity in the Sustainable Ocean Economy, (re)insurers can also individually consider how their coverage can encourage positive behaviours, take targeted actions to reduce and avoid harm to the marine environment, and continue to implement the established framework policies and IMO Treaties that assist when there are incidents in the marine environment. This will increasingly contribute to reduction and avoidance of harmful impacts in the marine environment.

This could include, for example, adoption of technological tools and approaches that allow for changes to underwriting processes that help stop illegal behaviour, such as ORRAA's Vessel Viewer which gives additional insights into insuring against Illegal, Unreported and Unregulated (IUU) fishing. These approaches allow insurers to understand individual exposure to harmful practices and engage with clients to encourage responsible behaviour across the value chain and avoid their products inadvertently enabling environmental harm.

C. Ocean Industries

With respect to the Sustainable Ocean Economy, companies should understand the full environmental and social consequences of their activities. Companies should ensure that material ocean-related risks and opportunities are assessed, and integrated in corporate strategy, risk management and reporting. Relevant responsibilities should be clearly defined within the organization, and sustainability metrics should be included in company performance and incentive structures. Impact is strongest when the company board guides, monitors and reviews company management in these efforts.

1. Deliver change by aligning business practices with the UN Global Compact Sustainable Ocean Principles

The Sustainable Ocean Principles aim at promoting the well-being of the ocean for current and future generations, and to emphasize the shared responsibility of businesses to take necessary actions to secure a healthy and productive ocean. Companies signing on to the Sustainable Ocean Principles commit to assess their impact on the ocean and to integrate the Principles into their overall strategy.

The principles provide a framework for responsible business practices in the ocean. They build upon and supplement the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption.

2. Strengthen capacity and raise awareness of ocean sustainability issues

In line with growing regulatory requirements and emerging voluntary frameworks for assessing and reporting on biodiversity and nature-related risk, prioritize the development of capacity to understand and assess the company's exposure to risk (climate and nature) in the ocean economy. This serves to both increase in-house awareness of impact and dependencies and the need for action and sets a standard for transparency in the market. This can be done either through in-house capacity, or partnership with third parties.

3. Evaluate the company's impact and dependencies on the ocean

In line with the steps to impact management outlined in the TNFD and the importance of accounting for double materiality on nature and biodiversity, undertake a baseline assessment of company impact on the marine environment as well as the company's dependencies on ocean health. This includes company supply chains. Where data gaps exist, prioritize the development of baseline information on impacts and dependencies on which to make informed decisions on exposure and materiality. The general and sector-specific guidance provided by the SBTN offer support in how to undertake these assessments.

4. Generate, utilize, and interpret ESG data to consistently measure progress

On the basis of initial impact assessment and baselining of impact and dependencies, identify key indicators and metrics and build data series to allow for the measurement of progress on material ESG issues. The need for data to inform sustainability decision-making across companies and financial institutions can be met in part through partnership with knowledge institutions, including universities, non-governmental organizations (NGOs) and think tanks that can provide expertise in both data provision and interpretation for commercial purposes. Consider establishing such partnerships to complement, not replace, in-house capabilities.

5. Set targets informed by science

New resources are rapidly becoming available to support the setting of, and reporting on, ocean-specific sustainability metrics, indicators and targets. Look to sectoral guidance (including the UN Global Compact Sustainable Ocean Principles Practical Guidances and UNEP FI guidance highlighted above), third-party certification (such as the ASC and MSC standards for seafood) as well as ocean economy-specific recommendations and guidance from the SBTI, SBTN, TCFD and TNFD to support efforts to develop the right metric or indicator and set SMART targets across the Sustainable Ocean Economy. These should be the same indicators that support executive incentives for sustainability outcomes highlighted in recommendation 2b.

6. Develop actions plans to respond to material impacts and dependencies on the ocean

Key impact management frameworks in this respect include the TCFD and SBTI for climate-related disclosure and target-setting and the TNFD and SBTN for nature-related disclosure and target-setting. Additional sectoral and specific guidance has been developed by the UN Global Compact as well as emerging frameworks such as the WWF Nature Positive Oceans Framework.

7. Publicly disclose relevant sustainability information

A number of data gaps continue to present challenges to effective impact management in the ocean economy. Such data gaps can begin to be addressed through increased public disclosure of both data sets and decision frameworks for sustainability outcomes. Leveraging the new recommendations and framework provided by the SBTI, SBTN, TCFD and TNFD, disclose as much data on climate, nature and biodiversity in ocean economy sectors as possible — on impacts and dependencies, opportunities and risks. Similarly, wherever possible, be transparent about decision-making processes that underpin sustainable outcomes. This will unlock new insights and build data series to improve investment decisions in the market. While recognising the proprietary nature of some information, strive to go beyond minimum requirements.

8. Foster innovation and increase funding for research and development

Alongside a need to manage impacts and dependencies, there are opportunities across ocean industries that can be captured as part of the transition to the Sustainable Ocean Economy. Innovation is key to unlocking such opportunities — consider allocating greater budget towards R&D for sustainability improvements wherever possible. Similarly, support innovations through partnership (e.g. within blue clusters and with knowledge institutions, and relevant incubators and accelerators with sustainability linkages to your industry). This includes investment in new business models based on the SOE or in new product lines such as seaweed or plastic.

9. Advocate for supportive regulations and incentivization of sustainable practices

Industry stakeholders have an important role to play in advocating for sustainability with governments and in global governance. In particular, consider calling for reforms to regulations and subsidies to incentivize sustainable behaviour across ocean industries, and at a minimum call for an end to subsidies for unsustainable activities that undermine the transition to a Sustainable Ocean Economy.

10. Link performance to sustainable outcomes

Ensure that sustainability is central to corporate strategy and decision-making by linking performance on material ESG issues, particularly those related to the ocean, measured through specific KPIs and targets to incentive schemes for executive remuneration. As stewards of trillions of dollars in corporate investments, CFOs are uniquely positioned to reshape the future of corporate finance and investment as a catalyst for growth, value creation, and social impact in the ocean economy. Explore the use of sustainability-linked bonds and loans with ambitious but achievable sustainability KPIs,[17] which will further mainstream finance for best industry practice in sustainability.

17. Key Performance Indicators

D. Governments

An enabling environment provided by the public sector is essential for the private sector to establish and accelerate the transition to sustainability in the ocean economy. The following recommendations are put forward to the public sector to reinforce and expand this enabling environment.

1. Recognize sustainable ocean investment as a climate and nature solution and align policies with the 1.5C° target

Addressing climate change is central to achieving a Sustainable Ocean Economy, and implementing a Sustainable Ocean Economy supports the transition to net zero. As highlighted by The High Level Panel on the Sustainable Ocean Economy, the implementation of ocean-based climate solutions can reduce the emissions gap by up to 35 percent on a 1.5C° pathway by 2050. Incorporate decarbonization into ocean development strategies and make ocean investment opportunities eligible to receive climate-related financing — for example in the expansion of opportunities for marine renewable energy.

Governments have a key role to play in fostering and supporting linkages between climate and ocean action, including by supporting investments into coastal adaptation and resilience. Thus, the public sector should incentivize integrated action on climate and nature by the private sector, including through mechanisms that provide clear incentives for investments that deliver Net Positive Impact (NPI). For example, governments may implement pre-qualification or tender criteria to reward conservation, restoration and sustainable value creation objectives by developers and investors. This can influence the pace of demand creation for sustainable ocean business.

2. Articulate development strategies for ocean and coastal environments through Sustainable Ocean Plans

Investors and developers require consistency, certainty and legal clarity on what activities are supported and incentivized by the government, including the provision of essential public goods such as infrastructure. Clarify and articulate what development objectives for ocean and coastal environments include, thereby providing certainty for the development of the Sustainable Ocean Economy. Support sustainable development by setting Sustainable Ocean Plans that frame public and private activities for the development of a Sustainable Ocean Economy (including funding of ocean science) across government portfolios, ensuring alignment with the target of 100 percent sustainable management of ocean areas under national jurisdiction. In turn, ensure alignment with Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and National Biodiversity Strategies and Action Plans (NBSAPs) that address climate and biodiversity action, respectively.
Phase out harmful subsidies that do not align with development strategies for the SOE as a matter of priority. In addition, implement activities to protect ocean life, such as monitoring of climate impacts and biodiversity health, regulating and monitoring overfishing, establishing marine protected areas, and combating Illegal, Unreported, and Unregulated (IUU) Fishing.

A. Implement marine spatial plans: Marine spatial planning as a tool can provide clarity within Sustainable Ocean Plans to direct investment, development and conservation activity across Exclusive Economic Zones. Develop and implement such plans to create clarity on what development will take place where, building confidence for the private sector to participate and invest.

3. Develop national ocean accounts that capture the value of ocean economy sectors and the state of the ecosystems on which they depend

In order to guide development and investment decision-making in the SOE, productivity, profitability, GDP contribution and value of underlying assets (including natural capital) must be understood and monitored. Look at existing publications on national accounts, the indicators covered by the OECD's database on the Sustainable Ocean Economy and initiatives on accounting for the SOE for specific guidance and examples of key indicators to include. Build both scientific and reporting capacity where necessary.

4. Leverage public capital to support the transition and enable finance to flow

Public capital has different requirements to that provided by the private sector, particularly in its risk appetite and return profile. While limited in availability, it can therefore play a transformational role, alongside philanthropy and development finance institutions (DFIs), in reducing risk associated with investment opportunities that are not (yet) sufficiently attractive to the private sector — for example in stimulating conservation outcomes. Blending capital across different providers with varying return profiles for the SOE can leverage different profiles to achieve more

than these capital types could fund individually. Ensure that these opportunities are aligned with Sustainable Ocean Plans (see above). Explore ways of working with DFIs and the private sector to stimulate finance for ambitious SOE projects, and consider what regulatory frameworks may be required or modified in order to facilitate investment into the SOE.

5. Stimulate access to fair financial services in coastal communities

Credit markets for lending to small-scale businesses that can drive the Sustainable Ocean Economy, particularly in the global south, rely on the existence of accessible and fair financial services in remote communities, i.e. those that are not false, misleading, unsubstantiated or deceptive.[18] Further prioritize the accessibility of finance and financial literacy for communities in order to build fairness and opportunities for sustainable project development and investment in areas that need it most. This can include development of communications infrastructure and reducing barriers to services such as online banking to enable the creation of these small-scale businesses, as well as provision of collateral through public trusts or guarantees that can resolve incomplete market problems like access to finance.

6. Centre coastal communities and indigenous peoples in decision making and take local, traditional and indigenous knowledge into account

Development decisions and investment opportunities should leverage existing forms of knowledge about coastal and marine environments into account, and should consider local and community perspectives, and include these communities in the decision-making process.

7. Foster bundling of small-scale ocean economy opportunities

To access international public capital more effectively and achieve scale, cross-border regional collaboration, such as between small island developing states, should be incentivized and enabled, including through policy alignment on sustainability outcomes and ocean economy development pathways wherever possible, and by ensuring a supportive enabling environment is in place — for example through the provision of public infrastructure that underpins the viability of a sustainable investment opportunity.

E. Development Financing

Greater public sector development finance can serve as a catalyst for private finance, and global momentum exists for development finance institutions (DFIs) to work collectively on nature, people and planet as outlined by the world's leading multilateral development banks at COP 26. Within this context, DFIs have played, and continue to play, an important role in supporting the transition to the Sustainable Ocean Economy, for example through the development of SOE strategies and investment frameworks. The following recommendations aim to push the boundaries of what DFIs can do to effect change.

1. Lead the way in building a holistic, nature-positive approach to financing the Sustainable Ocean Economy

Development finance institutions have a strong role to play in shaping how financial institutions consider opportunities for nature-positive outcomes, including in the Sustainable Ocean Economy. In this context, they should continue to push the envelope on capturing social and environmental priorities within their activities. Consider going beyond a focus on screening for negative impact and aim to scale for positive social and environmental outcomes — set goals and processes that deliver nature-positive outcomes in the marine space.

18. As outlined by different government authorities that regulate financial behaviour. For example this is seen in New Zealand's Financial Markets Conduct Act 2013 and its 'fair dealing' in relation to financial products and services. See at (https://www.legislation.govt.nz/act/public/2013/0069/latest/whole.html)

2. Improve the sharing of knowledge and information

DFIs typically have stringent standards for financing projects and programmes with capacities for collecting and interpreting sustainability information through due diligence processes, project appraisals and reviews. Consider ways in which these sources of information and assessments of, for example, materiality, impact and dependencies can be made more readily accessible and replicable by the private sector and other knowledge partners, including civil society, (sub)national governments and the public to improve accountability and the effectiveness of implementation.

3. Foster SOE development in the global south

Scaling investment and building an ocean economy pipeline in the global south is essential to the global transition to a Sustainable Ocean Economy. Explore opportunities to leverage concessional financing through blended approaches to achieve greater impact. Collaborate with the private sector and local partner banks to build their capacities and awareness of sustainability approaches across relevant sectors. In addition to building new approaches, support existing initiatives through both investment and technical support to safeguard the Sustainable Ocean Economy and develop investment pipelines.

4. Encourage bundling of small-scale ocean economy opportunities

As a catalyst for financing, and to enable more cost-effective access to capital and achieve scale, seek out and support cross-border collaboration for SOE project financing and technical assistance initiated by governments. This includes technical assistance on creating policy alignment on sustainability outcomes and ocean economy development pathways across countries and regions wherever possible. Consider development of regional platforms for SOE project financing to promote regional and cross-border collaboration.

5. Support growth in thematic and sustainability-linked products

Further develop the opportunities provided by both blue-labelled and sustainability-linked bonds and loans to scale up sustainability impact within ocean industries. Encourage participation and co-investment by the private sector to build familiarity and create entry points for local financing for the Sustainable Ocean Economy, for example through offering opportunities for blended finance transactions. Further, consider partnering directly with industry or knowledge institutions to reduce barriers to entry for sustainability-linked products, including support on the development of robust KPIs.

6. Support pipeline development by linking SOE projects with wider development objectives

Building an investment pipeline is a challenge in the Sustainable Ocean Economy, one that DFIs are familiar with addressing through efforts such as building access to finance in rural communities and investing in large-scale infrastructure that can stimulate co-investment by the private sector. At the same time, DFIs provide financing and technical assistance for the development of the SOE where pipeline challenges continue to persist. Thus, to further support the development of the SOE in particular, explore ways and opportunities to link projects and programmes for the Sustainable Ocean Economy with approaches to building markets and pipelines. In this context, consider any knock-on effects of investments for market development on broader economic and social patterns in coastal areas (e.g. migration), particularly in the context of climate resilience.

7. Support, use and replicate matchmaking and community-building initiatives in different markets where relevant

Consider ways to replicate and adapt existing matchmaking and equity initiatives for awareness raising and community building across investors and entrepreneurs. These could focus on regions in the global south to foster new opportunities and begin to tackle the investment pipeline challenge. The role for DFIs here can be transformational, as was the case with the European Investment Fund's support for BlueInvest in the European market to catalyse investment action in the emerging ocean economy, with particular opportunities for early-stage tech innovations.

8. Include Nature-based Solutions across infrastructure finance whenever possible

Institutions offering concessional financing and other de-risking strategies for infrastructure development should prioritize finance for infrastructure projects that offer climate-resilient, Nature-based Solutions (NbS). Furthermore, they should work to integrate NbS and biodiversity financing strategies into their infrastructure finance approaches.

9. Support the development of the Cartagena Finance in Common Blue Finance Roadmap

As a complement to the joint statement by multilateral development banks on Nature, People and Planet that outlines the central role of nature and biodiversity in sustainable development and combating climate change, the Blue Finance Roadmap aims to coordinate and leverage development and concessional finance specifically for the SOE. This additional framework would allow for greater collective action and sharing of information across Development Finance Institutions.

10. Allow for implementation at pace of SOE projects

While strategic frameworks like the Blue Finance Roadmap are helpful tools for scaling up financing for the SOE, institutions with existing ocean economy strategies should continue their focus on implementation and disbursement of capital for SOE projects and programmes. Within the context of accelerating implementation, consider reforms within institutions that may help investment officers disburse funds for the SOE more quickly.

11. De-risking SOE projects

Developmental finance has the ability to create innovative financial instruments which, in time, become commonplace in financial markets. Since the pandemic, there has been an increase in balance sheet protection, with capital being held onto by DFIs, but still being used in different ways. De-risking instruments allow for scalable transactions in the SOE, which moves the underlying credit risk of a transaction from the SOE project to the DFI. This shift would allow for a higher volume of larger transactions in the SOE.

ANNEX 1: OCEAN FRAMEWORKS, STANDARDS AND INITIATIVES

Significant work has taken place to define and accelerate investment in a healthy ocean, with an acceleration in focus since the creation of the Sustainable Development Goals and the ocean-specific focus of Goal 14 in 2015. This Protocol aims to build on the foundations and consensus established by leaders in the conservation and sustainable development of the ocean. A number of the initiatives and frameworks that support investment in the Sustainable Ocean Economy are highlighted here and underpin or complement the recommendations made in the earlier sections.

UNGC Sustainable Ocean Principles

The Sustainable Ocean Principles (SOP), along with accompanying industry sector guidance, were developed by the UN Global Compact in order to provide businesses with a framework of responsible practices for the expansion of the use of the ocean to produce food, energy, raw materials and transportation. While the SOP reflects the shared responsibility of business in protecting and restoring the health of the ocean, its focus is on sustainable economic development of the ocean. Its principles are categorized into ocean health and productivity, governance and engagement, and data and transparency.

150 corporations across multiple sectors have signed the SOP, and are required to report annually on their progress to implement the Sustainable Ocean Principles through the UN Global Compact Communication on Progress.

UNEP FI Sustainable Blue Economy Finance Principles and Initiative

The United Nations Environment Programme — Finance Initiative (UNEP FI) convenes a global community of financial institutions to support the implementation of the Sustainable Blue Economy Finance Principles (SBEFP), a set of 14 high-level principles for financial institutions to ensure their financing activity in ocean and coastal environments is directed towards the Sustainable Ocean Economy and aligned with the targets of the Sustainable Development Goals. The SBEFP is the world's first global guiding framework for banks, insurers and investors to finance a Sustainable Ocean Economy.

The principles were developed by the European Commission, WWF, the World Resources Institute and the European Investment Bank, and are hosted by UNEP FI as part of the Sustainable Blue Economy Finance Initiative (SBE FI). More than 80 institutions representing US$11 trillion in total assets have now joined the Sustainable Blue Economy Finance Initiative as Members or Signatories, benefiting from peer-to-peer learning and sharing of tools and guidance to help implement the SBEFP.

UNEP FI's Principle for Responsible Banking (PRB)

The Principles for Responsible Banking (PRB) are a leading sustainability framework for signatory banks to align their strategies and practices with the vision society has set out for its future in the UN Sustainable Development Goals and the Paris Agreement on Climate, international frameworks such as the Kunming-Montreal Global Biodiversity Framework, the UN Guiding Principles on Business and Human Rights, as well as relevant regional and national frameworks.

UNEP FI's Principle for Sustainable Insurance (PSI)

Endorsed by the UN Secretary-General and insurance industry CEOs, the Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities — and a global initiative to strengthen the insurance industry's contribution as risk managers, insurers and investors to building resilient, inclusive and sustainable communities and economies on a healthy planet. The PSI represents the most extensive global network of insurance and stakeholder organizations committed to addressing sustainability challenges.
Learn more at: unepfi.org/psi

UNFCCC Climate Champion Ocean Breakthroughs

The UNFCCC climate champions work to deliver enhanced ambition and strengthened engagement from non-state actors to deliver the goals of the Paris Agreement. As part of this work, the climate champions have developed simple mitigation breakthrough goals for ~30 major sectors in the economy, and have developed ocean-specific breakthroughs. These ocean breakthroughs include the 2030 targets for Marine Conservation, Offshore Renewable Energy, Ocean-Based Transport and Aquatic Foods. The Coastal tourism breakthrough is pending.

High-level Panel for a Sustainable Ocean Economy

The High-level Panel for a Sustainable Ocean Economy is an initiative of 18 heads of government co-chaired by Norway and Palau that works to build momentum towards a Sustainable Ocean Economy in which protection, sustainable production and equitable prosperity are prioritized. The Panel focuses on a number of different agenda items, including ocean finance, each of which is supported by peer-reviewed publications that set out key opportunities and recommendations for the Sustainable Ocean Economy. Two publications, Ocean Finance: Financing the Transition to a Sustainable Ocean Economy and National Accounting for the Ocean and Ocean Economy, are especially relevant for this Protocol.

Bonds to Finance the Sustainable Blue Economy

In 2023, the Asian Development Bank, International Finance Corporation, United Nations Global Compact, UNEP FI and International Capital Market Association (ICMA) developed new guidance for the issuance of blue bonds as a subset of ICMA's Green Bond Principles. The guidance, which is voluntary, is for broad use by the market to provide issuers with guidance on the key components involved in launching a credible blue bond; to aid investors by promoting availability of information to evaluate the environmental impact of their blue bond investments, and to assist underwriters by offering vital steps that will facilitate transactions that preserve the integrity of the market. In turn, this guidance also draws on pre-existing specific guidance from the Blue Finance Guidelines of the International Finance Corporation, the aforementioned UNEP FI SBEFP and guidance, the UNGC SOP as well as the UNGC Practical Guidance to Issue a Blue Bond, and the Ocean Finance Framework and Green and Blue Bond Framework of the Asian Development Bank.

Cartagena Call to Deliver Positive Action for the Ocean

At the 2023 Finance in Common Summit in Cartagena, Colombia several development banks committed to working together on a Blue Finance Roadmap to take rapid action on the protection and sustainable use of the ocean. Intended to be released for the UN Ocean Conference in 2025 in France, the Cartagena Call was launched by the Agence Française de Développement (AFD), the Asian Development Bank (ADB), the Development Bank of Latin America and the Caribbean (CAF), Cassa Depositi e Prestiti (CDP), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Inter-American Development Bank (IDB), Germany's KfW Development Bank and the West African Development Bank (BOAD). The Blue Finance Roadmap will bring together the know-how and experience from all of the ocean investments, and in this context builds on their existing commitments and frameworks, including the ADB's Healthy Ocean Action Plan and the EIB's BlueSOS.

Ocean Risk and Resilience Action Alliance

The Ocean Risk and Resilience Action Alliance is a multi-stakeholder platform of financial institutions (including insurance), governments, nonprofits and stakeholders from the Global South focused on driving financial innovations to deliver a sustainable and equitable blue economy and more resilient coastal communities. It aims to deploy at least US$ 500 million of investment into ocean and coastal resilience through the development of at least 50 novel finance and insurance products.

Among these products is the Sea Change Impact Financing Facility (SCIFF), an effort to develop an open ocean financing architecture designed to drive at least USD$1 billion of private investment into coastal and ocean ecosystems with a focus on the Global South by 2030. The open architecture that the SCIFF intends to develop, and its focus on financing instruments and developing connections between NGOs, impact funds, corporates and development banks provides a complementary focus to the Protocol's governance-oriented audience.

WWF Nature Positive Oceans Framework (Launching June 2025)

The Nature Positive Oceans Framework provides general and sector-specific recommendations for companies operating in the ocean and on its coasts — specifically those in the offshore wind, coastal and marine tourism, shipping, and seafood sectors — for how they can contribute to the nature positive global societal goal through their direct operations and their supply chains. Specifically, it outlines key considerations and proposes credible, evidence-based activities organized across the AR3T action framework that companies can take to support the 2030 mission of the Kunming-Montreal Global Biodiversity Framework.

Promoting Sustainable Ocean Economies: Guidance for Development Co-operation (Launching June 2025)

Based on an extensive review of good practices and lessons learned, the guidance presents a series of recommendations that elucidate the aims, modalities and enablers of effective development co-operation in support of a sustainable ocean economy.

ANNEX 2: BROADER FINANCIAL STANDARDS AND RELEVANT FRAMEWORKS

A number of broader initiatives for finance for sustainable development are directly applicable and relevant to the ocean — including the work of the TNFD, ISSB, SBTI and SBTN on disclosure and target-setting, as well as regulatory changes that drive disclosure and clarity on investment in sustainably, including the European Union's Sustainable Finance Disclosure Regulation (SFDR), Corporate Sustainability Reporting Directive (CSRD) and taxonomy.

ISSB

The International Sustainability Standards Board (ISSB) has the primary goal of creating a global baseline of sustainability disclosures that meet capital market needs. As of May 2024, the ISSB continues to enhance these standards and aims to integrate them with other international frameworks to ensure widespread adoption and interoperability.

The ISSB standards build significantly from existing reporting frameworks and standards, and the ISSB has pledged to enhance interoperability with other international and jurisdictional sustainability-related standards to better support adoption. Companies applying the ISSB Standards will meet the TCFD recommendations. Companies are advised to start following ISSB standards and making relevant disclosures in 2025.

SBTi

The Science Based Targets initiative (SBTi) drives ambitious climate action in the private sector by enabling organizations to set science-based emissions reduction targets.

The SBTi defines and promotes best practice in emissions reductions and net-zero targets in line with climate science, and provides technical assistance and resources for companies to set such targets.

SBTN

The Science-based Targets Network (SBTN) is an evolution of the Science-based Targets Initiative (SBTI), which works to provide companies and cities with the ability to set science-based targets. Where the SBTI is focused on targets for emissions reduction, the SBTN is focused on targets for both climate and nature, and aims to provide guidance for companies and cities for all of Earth's systems. Specifically for companies, the SBTN is working to develop methods and resources for science-based targets for nature, split across various technical hubs with specific thematic focus. Among these, the ocean hub is developing guidance to help cut ocean pollution, restore ocean habitats and ecosystems to generate sustainable business opportunities. The ocean hub, which is co-led by WWF and Conservation International,

initially focused on developing seafood guidance for companies. By directly engaging ocean industries such as the seafood sector in setting science-based targets for nature, SBTN provides those industries an opportunity to reduce their pressures from ocean-related activities and implement sustainable practices with far-reaching environmental benefits.

TCFD

The Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. Released in 2017, the TCFD's recommendations on financial disclosure were designed to help companies provide better information on climate-related risks to support informed capital allocation. The disclosure recommendations are structured around four thematic areas related to company operations: governance, strategy, risk management and metrics and targets. These form the basis of 11 recommendations on disclosure of climate-related risks (split between physical and transition risks associated with climate change, mitigation and adaptation) that are intended to help investors and others understand how reporting organizations think about and assess climate-related risks and opportunities.

While initially voluntary, the TCFD has formed the basis for mandatory climate-related disclosures in many markets, including the EU, Canada, United Kingdom, United States of America, India, New Zealand, Switzerland, Singapore, Brazil and Hong Kong.

In addition to providing a framework for non-financial risk disclosure that led to related disclosure frameworks and requirements (below), the TCFD's recommendations are distinctly relevant for the ocean and the Sustainable Ocean Economy due to the significant contributions of ocean-linked sectors and activities (e.g. shipping) to decarbonization efforts as well as climate adaptation (e.g. through nature-based solutions for coastal protection).

TNFD

Launched in late 2023, the Taskforce on Nature-related Financial Disclosures (TNFD) builds on the framework and momentum established by the TCFD to focus on disclosure of nature-related risk by corporations and financial institutions. It follows a similar approach to that taken by the TCFD with categories of risk and recommendations on steps to disclosure, with additional specificity provided for nature and biodiversity. This includes a new focus on locating exposure to risk, given the place-based impacts of nature loss. Like the TCFD, the TNFD is currently a voluntary disclosure framework, though with increasing regulatory focus on sustainability disclosures (see below on EU regulation) this may follow the trajectory of the TCFD in becoming mandatory in a number of markets.

While generally applicable to the ocean, sector-specific guidance in relation to the ocean economy is in development, including for aquaculture and fisheries, tourism and shipping.

EU Regulations

The European Union has led globally on providing regulations for mandatory disclosures of social and environmental impacts, sustainable finance and corporate behaviour. The core regulations and initiatives in this context are:

SFDR

The Sustainable Finance Disclosure Regulation is the regulatory framework for financial institutions operating within the European market to disclose sustainability information to investors. By setting out how financial market participants have to disclose sustainability information, it helps those investors who seek to put their money into companies and projects supporting sustainability objectives to make informed choices. The SFDR is also designed to allow investors to properly assess how sustainability risks are integrated in the investment decision process.

CSRD

The Corporate Sustainability Reporting Directive complements the SFDR's focus on finance by providing requirements for corporations operating within the European market to disclose information on what they see as the risks and opportunities arising from social and environmental issues, and on the impact of their activities on people and the environment.

Taxonomy

The European Union Taxonomy for Sustainable Activities (Taxonomy) is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and broader environmental goals. The EU Taxonomy Regulation defines six environmental objectives

to which an economic activity considered eligible (i.e. listed in one of the EU Taxonomy Regulation Delegated Acts) can make a substantial contribution:

- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control; and
- Protection and restoration of biodiversity and ecosystems.

Eligible economic activities contribute substantially to one of these objectives when they comply with the criteria for Substantial Contribution for that objective, comply with the criteria for Do No Significant Harm (DNSH) for all other objectives and comply with Minimum Safeguards requirements, as defined by the EU Taxonomy regulation and its delegated acts.

The Sustainable Ocean Economy clearly touches upon a number of these six objectives, notably the third on sustainable use and protection of water and marine resources and the taxonomy provides a clear normative framework for what can be considered sustainable.

ANNEX 3: DELIVERING ON THE OCEAN BREAKTHROUGHS

Context

To provide the market and governments with illustrative core components of what financing needs exist across key sectors to achieve a sustainable ocean economy, the Marrakech Partnership on Ocean & Coastal Zones and the UN High Level Climate Champions have identified a set of Ocean Breakthroughs across key areas and sectors. The five Ocean Breakthroughs are Ocean Renewable Energy, Shipping, Aquatic Food, Marine Conservation (Coral Reef & Mangrove), and Coastal Tourism.

Ocean Breakthroughs: Activating the Ocean Investment Protocol

Given their common purpose and aligned sectoral focus, the Ocean Breakthroughs provide a framework for what the Ocean Investment Protocol needs to foster amongst its audience. This Annex provides sector-specific examples of what different actors can do to support the achievement of the Ocean Breakthroughs in alignment with the Ocean Investment Protocol.

Note: As the Coastal Tourism Breakthrough was only recently launched at UNFCCC COP29 in 2024, it is not yet reflected in this Annex. Future updates will seek to incorporate relevant elements as the breakthrough's framework and implementation pathways become more clearly defined.[1]

Ocean Renewable Energy Breakthrough

2030 Target: *By 2030, install at least 380 GW of offshore wind capacity while establishing targets and enabling measures for net-positive biodiversity outcomes and advocate for mobilising $10billion in concessional financing for developing economies to reach that goal.*

Offshore wind (OSW) is a maturing, high-potential ocean-based climate solution that is developing local economies while contributing to global emissions reduction. Offshore wind leverages an immense amount of capital in a complex global economy, spurring investment in marine science, shipbuilding, and maritime workforce development. OSW developers have made leading commitments to additional action for nature protection and restoration, from net-positive biodiversity impacts to introducing innovative finance mechanisms that ensure additional action for nature. These private sector initiatives are critical to enabling the scaled build-out of offshore renewable energy as much as they are a recognition of the twin crises of climate change and biodiversity loss – and the ocean's unique role in addressing both.

High upfront costs – averaging $2.9 billion for a 1 GW project – and limited access to affordable capital have recently challenged the industry's

1. **2030 target**: By 2030, $30 billion per year are invested to support halving emissions of coastal tourism; and additional investments are made to build the resilience of local communities, as well as to recover and protect ecosystems to sustainably manage tourism in island and coastal destinations most vulnerable to climate change.

ability to invest, scale, and deliver in the short and medium term, compounded by commodity price inflation and rising interest rates that drive up project costs. Many markets are facing increased risk, declining project viability, and shrinking investment across the supply chain. Stable, consistent, regulatory regimes, including at least 10 GW of contract-for-difference-backed capacity each year for 10 years can provide the short-term predictability to mobilize private capital and reduce the levelized cost of energy by 30% by 2040. Clear sightlines on future projects reduce uncertainty and facilitate more attractive financing terms, bolster investor confidence, attract lower-cost capital, and avoid disruptive peaks in demand that pressure the supply chain. The resulting continuity enables strategic investments that strengthen production stability, sustain the workforce, and build overall resilience in the industry and local economies.

These upfront or shared costs mean OSW has, furthermore, remained largely inaccessible in the Global South. To unlock the vast OSW potential in developing countries, an estimated $10 billion in concessional finance is urgently needed.[2] Concessional finance – provided at below-market rates – can help level the playing field by reducing the levelized cost of energy by more than 30% through targeted interventions such as capital expenditure subsidies, concessional debt, and sovereign financing of grid infrastructure. These mechanisms have been validated through World Bank and ESMAP-supported models and are critical to making OSW projects bankable in emerging markets.[3,4]

Despite this, concessional finance remains scarce: only 4% of climate finance to the energy sector is delivered as grants or low-cost debt, and no major climate fund has yet financed an offshore wind project. Mobilizing $10 billion in concessional finance is therefore not only a matter of unlocking clean energy potential – it is a prerequisite to bridging the climate finance gap and delivering on global renewable energy and biodiversity goals. It will also be essential to achieving the Ocean Renewable Energy Breakthrough's target of 380 GW of OSW capacity by 2030, while ensuring positive biodiversity outcomes. Delivering at this scale requires far more than capital alone. It demands collaboration between governments, private sector actors, and international organizations to remove investment barriers, align regulatory frameworks, and co-develop investable pipelines. With the right enabling conditions, concessional finance can catalyze transformative, scalable OSW deployment in developing nations – creating clean energy, sustainable jobs, and resilient coastal economies.

Case study: ørsted becomes world's first energy company to issue blue bonds

On World Ocean Day in 2023, offshore wind developer Ørsted became the first energy company in the world to issue blue bonds.[5] The five-year, EUR 100 million 3.625 % fixed-rate blue bond maturing in 2028 was issued in a private placement format in accordance with the IFC Blue Finance Guidelines. Net proceeds from the issuance will be allocated to investments in offshore biodiversity, in line with Ørsted's 2030 commitment to achieve a net-positive impact on biodiversity, as well as in sustainable shipping.

Blue bonds assist in diversifying and expanding the market for sustainable ocean financing, which is crucial for enhancing ocean health.[6] Introduced in 2018, blue bonds are aimed at directing finance into ocean-based projects that have positive environmental, economic, and climate benefits.[7]

2. Available from the Ocean Conservancy's Report "Catalyzing Responsible Offshore Wind in Developing Nations - The Role of Concessional Finance". See at (https://oceanconservancy.org/wp-content/uploads/2024/07/OSW-Concessional-Finance-v3.pdf)
3. Available from ESMAP's Report "How to Unlock Pipelines of Bankable Renewable Energy Projects in Emerging Markets and Developing Countries?" See at (https://www.esmap.org/Pipelines-of-Bankable-RE-Projects)
4. Available from ESMAP's Report "The Role of Concessional Climate Finance in Accelerating the Deployment of Offshore Wind in Emerging Markets". See at (https://www.esmap.org/Pipelines-of-Bankable-RE-Projects)
5. Available from Ørsted's Article "Ørsted becomes world's first energy company to issue blue bonds". See at (https://orsted.com/en/media/news/2023/06/20230608684811)
6. Available from Ørsted's Article "Blue Financing". See at (https://orsted.com/en/investors/debt/blue-financing)
7. Available from Ørsted's Article "Contributing to bridging the blue finance gap through blue bonds". See at (https://orsted.com/en/who-we-are/sustainability/biodiversity/blue-bonds)

Through Ørsted's blue bonds, investors have the opportunity to finance efforts to promote ocean biodiversity and sustainable shipping. Investors play a crucial role in unleashing capital needed to build a sustainable ocean economy. Like green bonds that finance Ørsted's wind and solar farms, blue bonds developed by Ørsted function as debt instruments, where issuers borrow money from investors and repay it with interest over time. The key distinction lies in the allocation of funds raised through blue bonds.

The funds Ørsted raised will finance initiatives that specifically target offshore biodiversity and sustainable shipping. In the first category, Ørsted will invest further in measures to protect and restore marine and coastal biodiversity and in innovations to find new and better ways to do this at scale. For sustainable shipping, the company aims to play a leading role in developing green ocean fuels, enabling decarbonisation of ocean vessels.

Key lessons learned and Recommendations for Private Sector Action:

- **Raising awareness**: these bonds are about the blue finance gap and corporate action for ocean health.
- **Guidelines to differentiate between green and blue bonds**: Although blue bonds are classified under green bonds by the International Capital Markets there can be greater clarity on what is described as a blue bond or a green bond and where there is overlap, aligned with the appropriate regulatory and finance taxonomies, to maximise investments in ocean health.
- **Align on impact indicators**: investors and issuers must agree on scientifically robust and adaptable impact factors for transparency and aligned action for nature. Further industry collaboration and guidance are essential to establish best practices for project allocation and impact reporting .
- **Industry action**: There must be broader uptake across industries to have an impact at scale, which will require additional companies to deploy Blue Bonds.

This case study underscores the transformative potential of offshore wind energy to deliver investment in ocean health and highlights the critical role of sustainable finance in integrated ocean-climate action.

Case study: Offshore Wind Development in Brazil

On World Ocean Day in 2023, offshore wind developer Ørsted became the first energy company in the world tMobilizing concessional finance for offshore wind projects in emerging economies has proven challenging, with limited examples of successful implementation. While there are currently no fully operational offshore wind farms in developing countries outside of China, several initiatives and proposed projects highlight the potential for concessional finance to play a pivotal role in accelerating offshore wind deployment in these regions. In July 2024, the World Bank Group, in collaboration with Brazil's Ministry of Mines and Energy (MME), the Energy Research Office (EPE), and analytical partner DNV, released a comprehensive study titled "Scenarios for Offshore Wind Development in Brazil".[8] This initiative aimed to assess Brazil's offshore wind energy potential and outline development scenarios for integrating offshore wind into the nation's energy mix. The study identified an offshore wind potential exceeding 1,200 gigawatts (GW), comprising 480 GW from fixed foundations and 748 GW from floating foundations. Three growth scenarios were proposed:

- **Base Case**: 16 GW by 2050, representing 3% of Brazil's generation capacity.
- **Intermediate**: 32 GW by 2050, accounting for 6% of the total generation capacity.
- **Ambitious**: 96 GW by 2050, comprising nearly 20% of the generation mix. Under this scenario, offshore wind development could generate up to 516,000 full-time equivalent jobs and contribute USD 168 billion in national gross value added.

The study emphasizes that substantial investments, including concessional financing, are crucial to overcoming the high initial costs associated with offshore wind projects. Strategic allocation of seabed

8. Available from the World Bank's Report "Scenarios for Offshore Wind Development in Brazil". See at (https://openknowledge.worldbank.org/entities/publication/a989e1c2-5240-4e01-a4dd-3c4c5725e36a)

rights and investments in grid infrastructure and port upgrades are also highlighted as essential for integrating offshore wind into Brazil's energy system. By mobilizing sustainable finance, Brazil aims to diversify its energy mix, reduce reliance on hydroelectric power, and enhance energy security, contributing to a resilient ocean economy.

Key lessons learned and Recommendations for Scaling Finance:

- **Clear Energy Strategy**: Establishing a long-term energy strategy with defined targets for offshore wind capacity is vital to attract investment and guide development.
- **Infrastructure Investment**: Significant investments in transmission networks, grid flexibility, and port infrastructure are necessary to support large-scale offshore wind deployment.
- **Regulatory Framework**: Developing a transparent regulatory framework for seabed leasing, environmental assessments, and permitting processes can streamline project development and reduce uncertainties.
- **Public-Private Collaboration**: Engaging stakeholders across government, industry, and finance sectors can facilitate knowledge sharing, risk mitigation, and mobilization of both public and private capital.
- **Concessional Finance Utilization**: Leveraging concessional finance to de-risk initial projects can pave the way for subsequent commercial investments, creating a sustainable financing model for offshore wind expansion.

This case study underscores the transformative potential of offshore wind energy in Brazil and highlights the critical role of strategic planning and sustainable financing in achieving large-scale renewable energy integration.

Additional Resources:

- Ocean Conservancy and Global Offshore Wind Alliance's Integrating Responsible Offshore Wind into Nationally Determined Contributions: A Guidance Tool

Shipping Breakthrough

2030 Target: *By 2030, zero emission fuels make up 5% of international shipping's energy demand. 450,000 seafarers need to be retrained and upskilled. At least 30% of global trade needs to move through climate-adapting ports, and reducing the impact on marine biodiversity by 30% by 2030.*

The shipping industry is the backbone of the world's logistical supply chains, responsible for around 80% of all global trade and supported by 2 million seafarers. The maritime shipping industry is at a pivotal moment in its history. Accounting for 3% of global greenhouse gas (GHG) emissions today, the industry's emissions are projected to increase by 90-130% of 2008 emissions by 2050 without further action.[9] As the global shipping industry continues to raise its collective climate ambition with new International Maritime Organization (IMO) mandatory regulations, decarbonizing the global shipping fleet will require capital for cleaner vessels and fuels, resilient port infrastructure, engine retrofits, and energy saving technologies.[10] With shared ambitions to reach net zero, the shipping and finance industries must work together to accelerate sustainable shipping finance.

In April 2025, the IMO approved the IMO Net-Zero Framework, a set of net-zero regulations for global maritime shipping which set mandatory emissions

9. Available from the Global Maritime Forum's Article "A climate-smart, sustainable and resilient maritime sector". See at (https://globalmaritimeforum.org/article/a-climate-smart-sustainable-and-resilient-maritime-sector/)
10. Available from UNCTAD's Article "Net-zero by 2050: Achieving shipping decarbonization through industry momentum and the new ambition at IMO". See at (https://unctad.org/news/transport-newsletter-article-no-108-net-zero-by-2050)

limits and GHG emissions to address climate change. These measures, set to be formally adopted in October 2025, will become mandatory for large ocean-going ships. Although the details for the IMO pathway are being confirmed, this first-of-its-kind global regulation should help support investment cases for zero and near zero GHG fuels, technologies and energy sources.[11]

This monumental development builds on progress from 2023, when 175 member States of the IMO unanimously agreed to set shipping on a pathway to net zero by or around 2050, with a 20-30% reduction by 2030 and a 70-80% by 2040, keeping the Paris Agreement's 1.5°C target within reach. To enable this, the Shipping Breakthroughs align with the IMO's goal of early uptake of scalable zero emission fuels (SZEF) to achieve at least 5% reduction while aiming for 10% by 2030 and a subsequent scale up through the 2030s to 2040s.[12]

The IMO Net-Zero Framework sets a clear timeline for the production and use of clean fuels. This includes scaling up new energy supply chains and the infrastructure (fuel production plants, storage facilities, and distribution networks) that can supply zero-emission vessels with the fuel they need to operate. Achieving these goals will require technological innovation, support from financial institutions, as well as regulatory frameworks. Financial Institutions, as leading financiers of the maritime industry, have a pivotal role to play in facilitating this transition by accelerating funding for green shipping solutions.

The cost of the fleet transition is estimated at $8bn to $28bn per year, with new fuel infrastructure costing an additional $28 bn to $90 bn.[13] Sustainable finance will play a critical role in enabling and incentivizing investments to meet the IMO's short term and medium term goals. Operational innovations and technological efficiencies for vessels, including retrofits, wind-assist technologies, route optimisation and air lubrication can deliver significant reductions in emission intensity in the short term. Investments in these solutions can enable the current fleet to contribute to decarbonisation, to reduce shipowners' exposure to climate transition risks such as stranded asset risk, to enhance the shipping value proposition for financial institutions by helping banks lower the emissions tied to their shipping portfolios and to help manage costs associated with fuel consumption.

Considering the mid to long-term goals, the replacement of older vessels running on conventional fuels with new ones that are capable of sailing on zero or near-zero emission fuels will be needed for vessels to remain in compliance . Clean alternative fuels are at risk of being in short supply in the early stages of the transition without early investment. While there are fuel supply projects that could theoretically meet the demands from shipping, this does not factor in the demand from other sectors in need of the same fuels. Many of these fuel supply projects have not reached Final Investment Decisions, with counterparts not agreeing to the pricing and duration of long-term fuel offtake contracts. A study surveying fuel producers predominantly focused on maritime offtake agreements found only 14% of e-fuel projects reached FID or were under construction.[14] This gap highlights the urgent need for increased financial support and innovative financing solutions to scale up the production of these fuels for maritime shipping. Potential revenue generated from the IMO Net-Zero Framework should present an avenue for financial flows into the space, putting shipping on the right path to present viable business cases for investment in decarbonisation strategies, helping to unlock further sources of capital.

With this current momentum, the shipping industry is poised to make significant strides. The collaboration between the shipping and finance industries, supported by commitments, innovative solutions and corporate strategies that support maritime decarbonisation projects, will be crucial to achieving these goals, ensuring a greener future for global trade and the environment.

11. Available from IMO's Article "IMO approves net-zero regulations for global shipping". See at (https://www.imo.org/en/MediaCentre/PressBriefings/pages/IMO-approves-netzero-regulations.aspx)
12. Available from "Progress Towards Shipping's 2030 Breakthrough". See at (https://assets.ctfassets.net/gk3lrimlph5v/7ITyCyZs4IlMl-2jLu7UiWn/183f3076979c2f71d72c8c36336784f5/GTZ_ClimateActionInShipping2023.pdf)
13. Available from Environmental Defense Fund's Article "Green Shipping and Sustainable Finance: Stronger Together". See at (https://business.edf.org/insights/green-shipping-and-sustainable-finance-stronger-together/)
14. Available from Lloyd's Register's report "Availability of E-fuels and E-fuel-capable Vessels from 2027–2030". See at (https://maritime.lr.org/e-fuels-and-e-fuel-capable-vessels)

Case Study: DP World Blue Bond which is anchored by investor seeking support the blue economy

In December 2024, DP World issued their inaugural blue bond and became the first Middle Eastern corporate to issue a blue bond.[15] T. Rowe Price was an anchor investor in the primary issuance allowing them to steer allocation of proceeds towards more underfunded UN Sustainable Development Goals (SDGs), in this instance to SDG 14, Life Below Water. This framework can be used as a guide for other issuers to scale blue issuance.

The proceeds from this US$100mn 5-year inaugural blue bond are tied to DPW's Sustainable Finance Framework. It is expected to be allocated to projects in the areas of: sustainable marine transport and sustainable shipping fuels, sustainable port operations, marine pollution prevention, and marine ecosystem management, conservation & restoration. This in turn will promote the rollout of sustainable shipping fuels, port operations, and the conservation and restoration of marine ecosystems and reefs. These enhancements should result in reduced GHG emissions, reduced ocean acidification, and enhanced marine ecosystems. Furthermore, the bond was issued at a 5.25% coupon rate, which offered an attractive ~25bps concession over secondary trading spread for investors.

Given the success of this issuance, further blue bonds, both in the Middle East and elsewhere in emerging markets, are expected to be issued in future years. As Rob Sharps, Chairman and CEO of T. Rowe Price Group, said "this innovative transaction will mobilize capital towards SDG 14, Life Below Water, while providing an opportunity for attractive investment returns. We hope this transaction can be a model for other issuers and investors to support the blue economy." Sultan Ahmed bin Sulayem, Group Chairman and Chief Executive of DP World, explained that "It is our ambition to lead our industry towards a sustainable blue economy as we work with our partners to remove barriers to comprehensive climate and ocean action. This Blue Bond will lay the foundation for the years to come."

Aquatic Food Breakthrough

2030 Target: *By 2030, provide at least $4 billion per year to support resilient aquatic food systems that will contribute to healthy, regenerative ecosystems, and sustain the food and nutrition security for three billion people.*

Financial investment in the fisheries and aquaculture sector has traditionally been limited. This was due to the uncertainty in the sector's response to human impacts and natural fluctuations thereby rendering it a risky business model. Financial institutions tend to be unfamiliar with the sector's complex value chains which complicates risk assessment necessary for substantial investment. However, the understanding of how to manage this uncertainty through established good practices and ever improving climate data and technology is shifting the paradigm. Accelerating impacts of climate change and the high vulnerability of aquatic food systems also have made it imperative to implement adaptation actions at scale. Robust financial support is needed to close an adaptation finance gap estimated at around USD 4.5 billion per year by 2030 for all developing countries. Given the scale and economic importance of fisheries and aquaculture, investment in the sector can contribute to:

- Food security: Fish contributed at least 20% of the per capita protein supply from all animal sources to 3.2 billion people. In some countries in Asia and Africa, fish constituted over 50% of the animal protein supply.

15. Available from T.Rowe Price's Article "Delivering additionality through origination in blue bonds". See at (https://www.troweprice.com/content/dam/gdx/images/campaigns/esg/blue-economy/DP-World-Case-Study.pdf)

- Growth potential with a low carbon footprint: When managed sustainably, the aquatic food sector thrives with a generally low carbon footprint and has significant growth potential. The FAO outlook for fisheries and aquaculture foresees an increase by 17% in the world production of aquatic animals from aquaculture in 2032 compared to 2022, and an increase by 3% for capture fisheries.
- Employment: Around 600 million people worldwide depend at least partially on the aquatic food sector for their livelihoods, with nearly 500 million engaged in small-scale activities.
- Economic value: Fisheries and aquaculture production reached an all-time high of 223.2 million tonnes in 2022, worth a record USD 472 billion. Aquatic foods are among the most traded food commodities, with the proportion entering international trade increasing significantly from 25% in the mid-1970s to 38% in 2022.

Case Study: The California Fisheries Fund – A Financial Catalyst for Sustainable Fisheries

The California Fisheries Fund (CFF) was established in 2008 as a revolving loan fund designed to provide much-needed capital to California's commercial fishing sector.[16] Although small in scale, the lessons learned from this fund are relevant to continued funding efforts in this sector.

Key Lessons Learned

- **Regulatory Barriers Can Constrain Lending**: Fisheries management reforms often move slowly, and policies – such as the initial three year moratorium on quota transactions in California's groundfish trawl fishery – can impact the types of investments that funds like CFF can support. Future financing mechanisms should consider policy alignment and engage with regulators to ensure that financial tools can effectively support transitions to sustainability.
- **Beyond Loans: The Need for Technical Assistance**: Providing capital alone is not enough; borrowers often require technical support in navigating regulations, implementing new business models, and making sustainable investments. Financial programs should integrate technical assistance to maximize impact.
- **Sustaining Financial Support**: The relatively small size of the fund made financial self-sufficiency difficult, particularly given the need for borrower support, portfolio monitoring, and outreach. Scaling such funds may require blended finance approaches, including public-private partnerships, grant funding, and impact investment strategies.

How to Move Forward & Scale Finance

- **Expand the Pool of Eligible Borrowers**: A broader range of lending opportunities—including working capital for new fisheries management initiatives, supply chain improvements, and post-harvest infrastructure—could enhance fund utilization.
- L**everage Policy Change for Greater Financial Impact**: Funds should be designed to align with fisheries management reforms, ensuring that regulatory frameworks enable rather than restrict investment in sustainability.
- **Explore Alternative Financing Models**: Blended finance approaches that combine public, philanthropic, and private investment could help overcome the challenge of fund sustainability. Additionally, partnerships with established financial institutions could increase lending capacity and long-term viability.

16. Available from California Fisheries Fund's Article "Project Summary". See at (https://opc.ca.gov/2010/01/california-fisheries-fund/)

- **Integrate Market-Based Incentives**: Linking financing to sustainability certification programs, carbon credit markets, or premium pricing for sustainably harvested seafood can enhance profitability and reduce risk for borrowers and lenders alike.

The CFF experience underscores the importance of aligning financial tools with regulatory environments, providing holistic support beyond capital, and leveraging innovative financing strategies to scale impact. Future efforts should build on these lessons to develop more robust and adaptable financial models for sustainable fisheries.[17]

Case Study: Using credible industry certifications to enhance outcomes in finance

In recent years, private capital has increasingly recognized aquaculture's potential to drive sustainable food systems while delivering strong investment returns. Certification frameworks such as the Aquaculture Stewardship Council (ASC) program are now widely adopted as essential tools for de-risking aquaculture investments and aligning capital flows with global sustainability goals, including Zero Hunger (United Nations Sustainable Development Goal 2 – SDG 2), Life Below Water (SDG 14), and Climate Action (SDG 13). Indeed, voluntary third-party certifications can support setting targets informed by science, relying on specific sustainability metrics, indicators and performance levels that are transparently audited. Financial institutions such as Rabobank, Banco Santander, and DNB Bank ASA have integrated ASC standards into Sustainability-Linked Loan (SSL) structures, tying financing conditions directly to environmental and social performance metrics, including greenhouse gas (GHG) emissions reduction and responsible feed sourcing.

By contributing in de-risking aquaculture value chains, certification programs can provide assurance, trust and confidence in how investable any given operation/portfolio may be. The success of transactions such as the 2021 US$135 million SSL to Chilean salmon producer Salmones Camanchaca, and the 2024 US$15 million financing provided by the Dutch entrepreneurial development bank FMO to Sri Lankan shrimp producer Taprobane Seafoods, underscores the role of science-based certification in unlocking capital for sustainable aquaculture. Deutsche Bank's 2024 update to its Environmental and Social Policy Framework, requiring ASC certification for marine aquaculture financing, further signals growing institutional alignment. Certification not only strengthens due diligence and disclosure under evolving regulatory frameworks such as the Corporate Sustainability Reporting Directive (CSRD), the Taskforce on Nature-related Financial Disclosures (TNFD), and the proposed Corporate Sustainability Due Diligence Directive (CSDDD), but also supports the setting and tracking of science-based targets for nature through initiatives such as the Science Based Targets Network (SBTN).

Looking ahead, science-based certification is expected to become a foundational requirement for sustainable blue food finance. The aquaculture sector is poised to benefit from the expansion of sustainable finance instruments, with certification helping catalyze broader investment into responsible seafood supply chains worldwide. As banks, investors, and companies commit to mobilizing capital for the blue economy, aquaculture offers a tangible pathway to achieve meaningful impact across multiple SDGs while delivering long-term financial returns.

Additional Resources:

- FAO's Blue Growth Initiative: Blue finance guidance notes
- FAO's The fisheries and aquaculture adaptation finance gap
- FAO's The State of World Fisheries and Aquaculture
- Environmental Defense Fund's Principles for Investment in Sustainable Wild-Caught Fisheries

17. Available from California Fisheries Fund's Article "Investing in Sustainable Fishing". See at (https://opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180131/Item7_ExhibitA_CFF_Overview.pdf)

Marine Conservation Breakthrough (Coral Reef & Mangrove)

2030 Target: *By 2030, investments of at least $72 billion secure the integrity of ocean ecosystems by protecting, restoring, and conserving at least 30% of the ocean for the benefit of people, climate, and nature.*

The Coral Reef Breakthrough

The Coral Reef Breakthrough aims to secure the future of at least 125,000 km2 of shallow-water tropical coral reefs with investments of at least US$12 billion to support the resilience of more than half a billion people globally by 2030. Large Marine Protected Areas (MPAs) are a vital tool for conserving marine biodiversity, particularly in coral reef ecosystems which are among the most threatened and biodiverse habitats on the planet. Large MPAs, spanning hundreds of thousands to millions of hectares, offer an optimal scale: they are large enough to provide essential ecosystem services, deliver significant benefits for both people and nature, and attract investment.

However, effective management of large MPAs requires substantial resources to maintain

these sanctuaries. It is estimated that US$174.52 billion per year is required to maintain the health of our oceans, including coral reef systems.[18] As a result, new forms of sustainable financing are required to build the business case for private investment in marine conservation.

Case Study: Bridging the Marine Protected Areas funding gap: blue finance blended vehicle

Blue Alliance, an implementing partner of Global Fund for Coral Reefs (GFCR), advocates

for the creation of reef-positive businesses that are owned by the MPA management entities which reduce specific drivers of coral reef ecosystem degradation, alleviate poverty and generate long-term income for the MPAs. This model ensures that profits are reinvested into MPA management, securing their long-term viability. However, building and scaling reef-positive businesses in these areas demands patient capital and a deep understanding of the unique challenges faced by coral reef-dependent ventures. Therefore a blended finance vehicle has been developed which uses grant funding to secure and operationalize co-management mandates in large MPAs, while also designing and running reef-positive businesses that contribute to the sustainability of coral reefs.

The vehicle presents a scalable approach that uses catalytic finance to mobilise and channel commercial impact finance into large MPAs, in order to strengthen natural resource management, improve food security, promote sustainable development and enhance climate change resilience. The vehicle blends three instruments:

- Senior impact loan facility: Provides concessional financing for RPBs CAPEX and OPEX. The facility offers patient capital (10-year maturity) and performance-linked returns linked to environmental and social outcomes. The facility is blended and de-risked with non-refundable grant capital. Capital comes from commercial banks, impact investors and family offices, with all lenders ranking equally. BNPParibas acted as the anchor investor with an initial tranche of US$2.4m.
- Recoverable grant facility: Provides capital during the start-up phases of the businesses. Repayment is triggered by outstanding financial performance of the reef-positive businesses.
- Non-recoverable grant facility: Provides (i) technical assistance and capital during the start-up phases of the businesses and, (ii) financing for the MPA day-to-day conservation activities until these grants can be gradually replaced by dividends from the reef-positive businesses once they become profitable from between years 4 and 7 depending on the business. The Global Fund for Coral reefs is the anchor donor with an initial tranche of US$5.2m.

18. Available from Johansen DF, Vestvik RA (2020) "The cost of saving our ocean – estimating the funding gap of sustainable development goal 14. Marine Policy, 112"

Key Takeaways:

- Establishment of a Blended Finance Vehicle – Blue Alliance has developed and operationalized an innovative blended finance mechanism to aggregate multiple reef-positive businesses, making investment in MPAs more viable for impact investors while securing long-term conservation financing.
- MPA Co-Management and Sustainable Financing Secured – The impact facility has supported the establishment of co-management agreements for MPAs, ensuring long-term resource protection. It has also created a model where reef-positive businesses reinvest their profits into MPA management, ensuring sustainability beyond donor funding.
- Pipeline of Reef-Positive Businesses Developed – Recognizing the need for viable businesses to generate sustainable revenue, Blue Alliance has incubated and launched multiple reef-positive businesses, helping to meet both ecological and financial sustainability targets while reducing investment risk.

The model is scalable and is an effective system to tackle global climate, biodiversity, food security and development global challenges. A pipeline of large MPAs in the world's most biodiverse areas has been already identified.

The scaling-up strategy is being implemented in two phases. The first phase implements this model on 9,000,000 hectares that will be managed by Blue Alliance by 2035. The second phase aims to implement the model on a total of 70,000,000 hectares of MPAs that will be managed by third-party companies and Blue Alliance by 2040. This ambitious target will represent a long-term solution for 25% of world's coral reef and will directly benefit more than 3 million inhabitants of local communities.

The Mangrove Breakthrough

2030 Target: *The Mangrove Breakthrough aims to mobilise $4 billion needed to secure the future of 15 million hectares of mangroves globally by 2030, by*:

- Halting mangrove loss and degradation
- Restoring half of recent losses
- Doubling protection of mangroves globally
- Ensuring sustainable long-term finance for all existing mangrove ecosystems and dependent communities

Mangroves store four to five times more carbon per hectare than terrestrial forests, providing vital ecosystem services to people and the planet. They offer a haven for biodiversity, help maintain the climatic conditions that sustain life on earth, and provide protection, food, and livelihoods. It is estimated that every $1 invested in mangrove conservation and restoration generates $3 in benefits. For many coastal communities, mangroves are the first line of defense against floods, storms, and erosion, protecting lives and property. Mangroves are also a critical source of food for communities. Their presence supports the production of around 1.4 trillion commercially important fish, prawns, bivalves and crabs each year. This in turn sustains the livelihoods for an estimated 4.1 million small scale fishers worldwide. Mangroves can reinforce operations through cost savings, adaptation and resilience benefits, and by generating stackable carbon and biodiversity credits.

Beyond fisheries and aquaculture, mangroves also offer livelihood opportunities through natural resources, including timber, fuelwood, honey, and traditional medicines. Mangrove tourism is estimated to represent a multi-billion dollar industry, attracting hundreds of millions of visitors annually by offering scenic and therapeutic destinations, often also with cultural significance as spiritual sites. More than 50% of these critical wetland ecosystems are at risk of collapse, posing a direct threat to 2.1 million people on the frontlines

of the climate crisis and 36 billion dollars' worth of property value. Their destruction could trigger the release of 1.8 billion tonnes of carbon stored in these ecosystems. Achieving the goals of the Mangrove Breakthrough would lead to the:

- Sequestration of over 43.5 million tons of CO_2 into mangrove biomass and safeguard an additional 18 million tons of CO2
- Restoration of half of recently lost mangroves with the potential to provide habitat for over 25 billion juveniles across 37 commercial marine species each year.
- Protection of coastlines against storms and reduce flood risk for over 15 million people and over $65 billion worth of property annually, securing lives, infrastructure and economic security.

According to the Mangrove Breakthrough Financial Roadmap, of the estimated $4 billion investment needed by 2030, around a third – $1.2 billion – could come from commercial sources. Philanthropic, development and public finance will deliver the rest.[19] Much of this commercial capital will need to be de-risked through blending with grant and concessional capital. Getting the sequencing right will also be critical: grant and concessional capital have an outsized role to play in the next few years. As the foundations for a new asset class of investable mangrove-positive opportunities move into place, private capital can progressively ramp up towards 2030 and beyond.

Case Study: Climate-Smart Shrimp Fund

The Climate-Smart Shrimp Fund is a blended finance vehicle developed by Conservation International and Hatch Blue to transform shrimp farming into a sustainable, mangrove-friendly sector. Focused on Southeast Asia and Latin America, the fund aims to raise USD 100 million over 10 years, combining concessional capital with commercial investment. It provides debt and equity financing to help farmers transition to climate-smart aquaculture, restore mangroves, and reduce emissions. The fund targets both environmental and financial returns by generating carbon and biodiversity credits and accessing premium shrimp markets. Technical assistance and rigorous monitoring are built in to ensure strong environmental and social outcomes.

Case Study: The M40 Programme

The M40 programme, led by Earth Security, is creating a global pipeline of mangrove-positive business models, bridging the gap between commercial capital and the conservation and restoration of mangroves. It includes proposals in sectors such as sustainable aquaculture, green infrastructure, agroforestry, blue carbon, tech, and ecotourism, which will be scaled across the 40 regions with the highest concentrations of mangroves globally.

In collaboration with UBS Optimus Foundation, investment pilots are being developed in key countries like Indonesia. The Global Environment Facility (GEF) is supporting the M40 pipeline's expansion in Least Developed Countries. The programme has catalysed the development of 'Mangrove Insurance' products in the Philippines and the scoping of a 'Mangrove Bond' in collaboration with HSBC Australia. Future plans include developing regional investment blueprints and a fund in 2025.

19. Available from the Mangrove Alliance's "The Mangrove Breakthrough Financial Roadmap". See at (https://www.mangrovealliance.org/wp-content/uploads/2023/11/Mangrove_Breakthrough_Financial_Roadmap_Finance_Coastal_Ecosystems_2023.pdf)

Case Study: Vida Manglar project, Colombia – more than carbon credits

The Vida Manglar project is preserving 11,000 hectares of mangroves in Cispatá Bay, on Colombia's Caribbean coast, and was the first blue carbon project in the world to fully measure and monetize mangrove carbon storage using methodologies certified under the Verified Carbon Standard.

For Apple's Earth Day 2018 Give Back campaign, Apple partnered with Conservation International to protect and restore the 27,000 acre mangrove forest in Cispatá Bay. The project is a pioneering cross-sector public-private-philanthropic partnership, which reinvests up to 92% of its revenue from blue carbon credits in the local community and conservation activities.

These funds support biodiversity monitoring, community-driven restoration efforts and sustainable livelihoods, including ecotourism and women-led beekeeping ventures. By engaging local mangrove associations, the project enhances environmental stewardship and empowers communities economically.

Key Takeaways:

- Vida Manglar offers an example of how such high-quality projects can meet demand with investment through carbon financing. Selling high-quality carbon credits on the Voluntary Carbon Market enables Vida Manglar to deliver projects that will sequester nearly 1 million metric tonnes of carbon over the next 30 years.

The Role of Development Finance Institutions

Development finance institutions (DFIs) and public development banks play a critical role in fostering a sustainable blue economy. By providing long-term loans and reducing operational risks, they create strong incentives for impact investment and help drive the emergence and growth of sustainable blue economy businesses. This case study focuses on the European Investment Bank and its efforts to foster a sustainable blue economy including the Ocean Breakthroughs.

Case Study: The European Investment Bank Case Study

DFIs can amplify the scale and global reach of investments in the sustainable blue economy by acting collectively. Examples of these types of collaborative initiatives include the Clean Ocean Initiative, which aims to reduce plastic pollution in the ocean; the Blue Mediterranean Partnership, which focuses on improving regional marine sustainability; and the Finance in Common Ocean Coalition, which brings together public development banks to support sustainable blue economies.

DFIs can also have a significant impact through individual action. For example, the EIB Group is a significant supporter of sustainable ocean industry. Today, all private sector projects financed by the Bank must contribute positively to environmental sustainability. For blue economy projects, this aligns with the recommendations of the Ocean Investment Protocol. The EIB Group committed €10.6 billion to blue economy projects between 2020 and 2024 and mobilised €43 billion in total investments.

A thriving blue economy depends on innovation and growth, with start-ups, scale ups, small and medium-sized enterprises (SMEs), and larger companies all playing a vital role in creating and scaling solutions for sustainable oceans.
To support this, whether through collaborative or individual DFI action, a variety of financial tools are needed to encourage private sector investment at different stages of innovation and development.
The following examples highlight how the EIB Group was able to catalyze the growth of start-ups, scale ups, and SMEs in the sustainable blue economy.

For start-ups, the European BlueInvest platform, a collaboration between the European Investment Fund and the European Commission, fosters a strong ecosystem of venture capital investors and innovators across the EU. This platform provides essential support, including technical assistance, investor matchmaking, and access to a dedicated financial instrument managed by the European Investment Fund. A notable success from this initiative is Ocean 14 Capital, the first large-scale investment fund fully dedicated to the blue economy, with a particular focus on sustainable seafood and ocean conservation.

For scale-ups, the EIB has partnered with the European Commission on the EU Blue Champions Initiative, which identifies promising European companies developing innovative technologies that protect ocean ecosystems. These companies benefit from tailored advisory support and some receive funding through the EIB's Venture Debt instrument, a loan product designed for late-stage companies. This funding provides patient capital which is crucial for helping businesses scale up after early equity funding rounds.

For SMEs, the EIB has launched a "Blue Economy credit line" to provide tailored financing for small businesses. This initiative offers loans through intermediary banks to SMEs that meet specific sustainability criteria, ensuring their activities contribute to healthier oceans. The first pilot of this programme was launched in Tanzania in 2023.

In addition to supporting smaller businesses, the EIB continues to finance large-scale corporate projects in the blue economy, including Ocean breakthrough sectors identified by the UN High-Level Climate Champions, such as offshore wind farms, green ports and green shipping. For instance, the EIB provided funding to Prysmian for the production of extra-high-voltage submarine power cables, which are essential for integrating offshore renewable energy into the grid.

As highlighted in the Ocean Investment Protocol, the impact of actions taken by DFIs is greatest when accompanied by supportive public policies and regulations. A good example is the success of offshore wind energy in the EU which has been supported by feed-in tariffs from EU countries and financed by the EIB since the sector's early development 20 years ago. Similarly, the growth of blue innovations often depends on enabling public regulations.

Through collaboration with governments, innovative financing tools, strategic partnerships, and a steadfast commitment to sustainability, the EIB Group is an example of how a DFI can drive progress in the blue economy. By supporting businesses of all sizes, DFIs can pave the way for a future where economic growth and ocean health go hand in hand.

Annex 3 Acknowledgements:

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