



# Financing Resilient Atolls: Strategies & Tools for Success

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# Ocean Assets: Our Work



**Blue Economy  
Investment Platform**

**Who:** Non-Profit Finance Advisors

**Mission:** Drive Private Capital to  
Blue Economy & Resilience

**3 Ocean Finance Directories:**



**Pacific Ocean  
Finance Program**

**INVESTING:**  
Investors & Funds



**Green Bonds:  
Marine Assets**

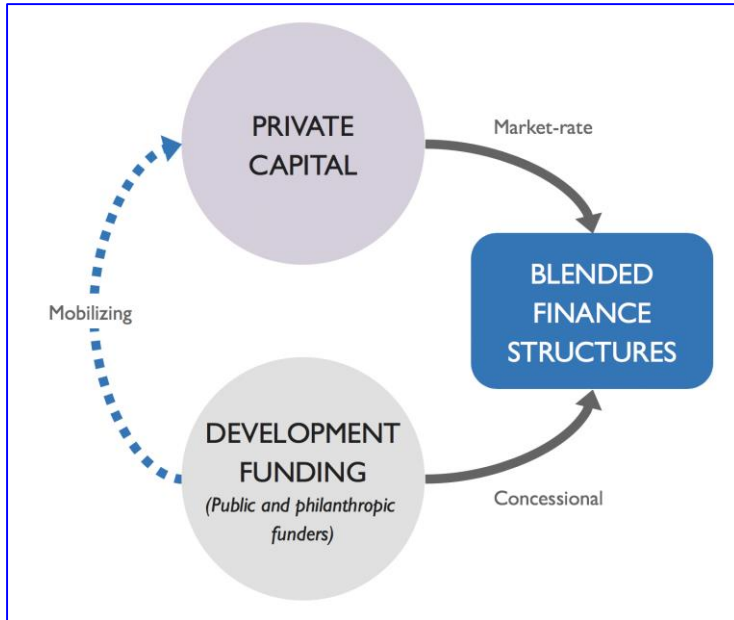
**GIVING:**  
Donors & NGOs

**RESEARCH:**  
Reports, Networks



**Blue Advice:  
Private Investors**

# Your Funding Solution: Impact Investment



- **\$500bn** Impact Investments
- **1300** investors worldwide
- Green Bond market: \$200bn  
***High demand = Supplier Power***

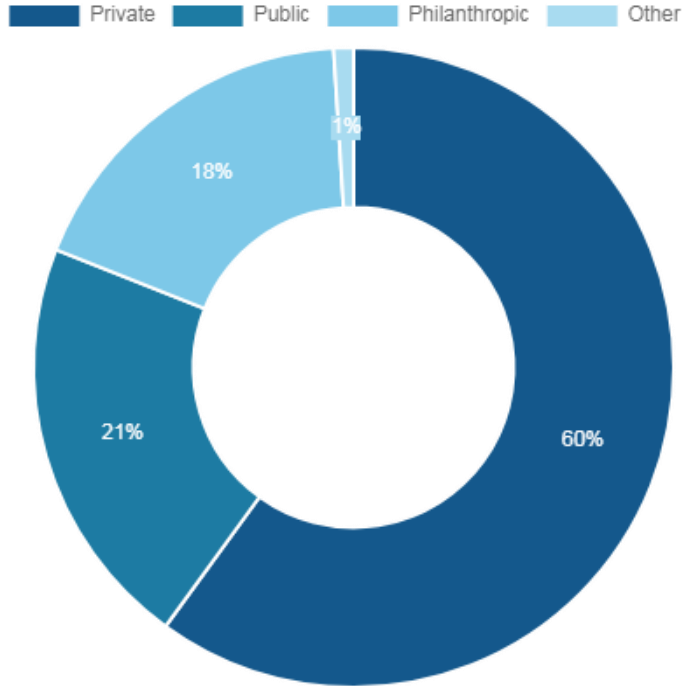
## Definition:

- **ESG Returns:** Enviro, Social & Governance goals / audits
- **Financial returns:** Above or Below Market
- **Alignment:** SDGs, communities, investors

**Blended Finance:** Over \$133bn for 480 transactions since 2000

Source: Convergence.Finance

# Who Are Impact Investors?



## 60% of investors are private

- *Half of these have an impact mandate*

## Most private investors are:

- Asset & Wealth Managers
- Pension Funds
- Private Equity Managers

## Most public investors are:

- Development Finance Institutions
- Governments
- Multilateral Groups

**Philanthropies:** Private Foundations dominate

# Making Impact Investors Islands!



## Opportunity

- ★ Real Assets
- ★ Under-Valuation
- ★ Massive Size
- ★ Diverse Sectors
- ★ Market Demand
- ★ Regional Initiatives
- ★ Blue Demand:  
Diversify vs Land



## Risk Control

- Good Governance
- Spatial Planning
- All Stakeholders
- Secure Tenure
- Insurance Coverage
- Long-Term Planning
- Blended Finance




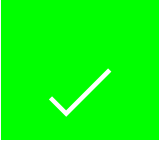


## Value

- ❖ Financial Upside
- ❖ Limited Downside
- ❖ Valuation Surprise
- ❖ Impact Mandates
- ❖ Long-term value
- ❖ Blue First-Movers
- ❖ Scale-Ability:  
> \$100mn

# What do Impact Investors Want?

## *The Checklist*

<b>Issuer Quality</b>		<ul style="list-style-type: none"><li>• Credit Rating</li><li>• Public vs Private</li><li>• Governance: Projects &amp; Vehicle</li></ul>
<b>Project Quality</b>		<ul style="list-style-type: none"><li>• Cash Flows: Preferably Direct</li><li>• Impact Metrics &amp; Tech Support</li><li>• End Game: Assets, Investors</li></ul>
<b>Structure</b>		<ul style="list-style-type: none"><li>• Issue size: Institutional needs</li><li>• Debt, Equity &amp; Results-based</li><li>• Tenor, Tranches, Liquidity</li></ul>
<b>Risk Control</b>		<ul style="list-style-type: none"><li>• Blended Finance tools</li><li>• Insurance tools</li><li>• Co-Investors</li></ul>

# Solving the SIDS & Blue Economy Funding Gap

## Risk Transfer

*It's Time to Transfer Risk from:*

Public Sector  
Capital Markets 

**Finance Tools include:**

- ❖ **Blended Finance** to *De-Risk* Investments
- ❖ **All:** Bonds, Project Finance, Loans, Equity
- ❖ **Project Selection** for Sustainable Oceans
- ❖ **Infrastructure** for Climate Realities
- ❖ **Understanding** what Private Investors need

## Private Capital Solution

- ❖ **SDG Funding Gap** in Developing Countries:  
\$2.5TR from Private Investors = **90% of total**
- ❖ **Global Resilience Insurance Gap:**  
Insured vs Economic Losses > **\$1.8TR / year**  
Developing nations coverage: **Only 10%**
- ❖ **Insurance Tools** include:  
Regional Risk Pools, Nature-based Insurance, CAT Insurance/Bonds, Resilience projects funded by premium savings

# Scoring Ocean Revenues / Ocean Health: Guide for Atoll & SIDS Investments

## High Ocean Economy Exposure

### & High Negative Contribution:

- Oil & Gas
- Seabed Mining
- Unsustainable Tourism & Fishing
- Brown Shipping

## High Ocean Economy Exposure

### & High Positive Contribution:

- Sustainable Fishing & Aquaculture
- Green Ports & Green shipping
- Blue Natural Capital & Resilience
- Sustainable Tourism & Green Buildings

## Low Ocean Economy Exposure

### & Low Negative Contribution

- Social Infra: Health, Education
- Sustainable local food production

## Low Ocean Economy Exposure

### & High Positive Contribution

- 100% Renewable Energy
- Sustainable Waste & Water Mgt
- Coastal/Island Green Infrastructure
- Financial & Data Services



# The Matching Game

Challenges	Projects	Instruments	Investors
<b>Enabling Conditions by Industry</b>	Tourism, Fishing, Biotech, Energy, Maritime, Extractives, Digital, Services	Private issuers: bonds loans, equity, project finance - with risk mitigation	Impact investors for market returns
<b>Infrastructure Growth &amp; Adaptation</b>	Water, Sanitation, Telecomms, Health, Transport, Housing	Public-Private issuers with risk mitigation & technical assistance	Sovereigns + MDBs to attract private investors
<b>Climate Resilience: Relief/Reconstruct</b>	Sea Barriers, Storm Preparation, Health, Land Reclamation	Public issuers plus insurance products	Same as above plus insurers + donors
<b>Natural Capital Valuation &amp; Mgt</b>	Restoration, Prevention, Ecosystem Services	Same as above	Same as above

# Investment Vehicles: Pros & Cons

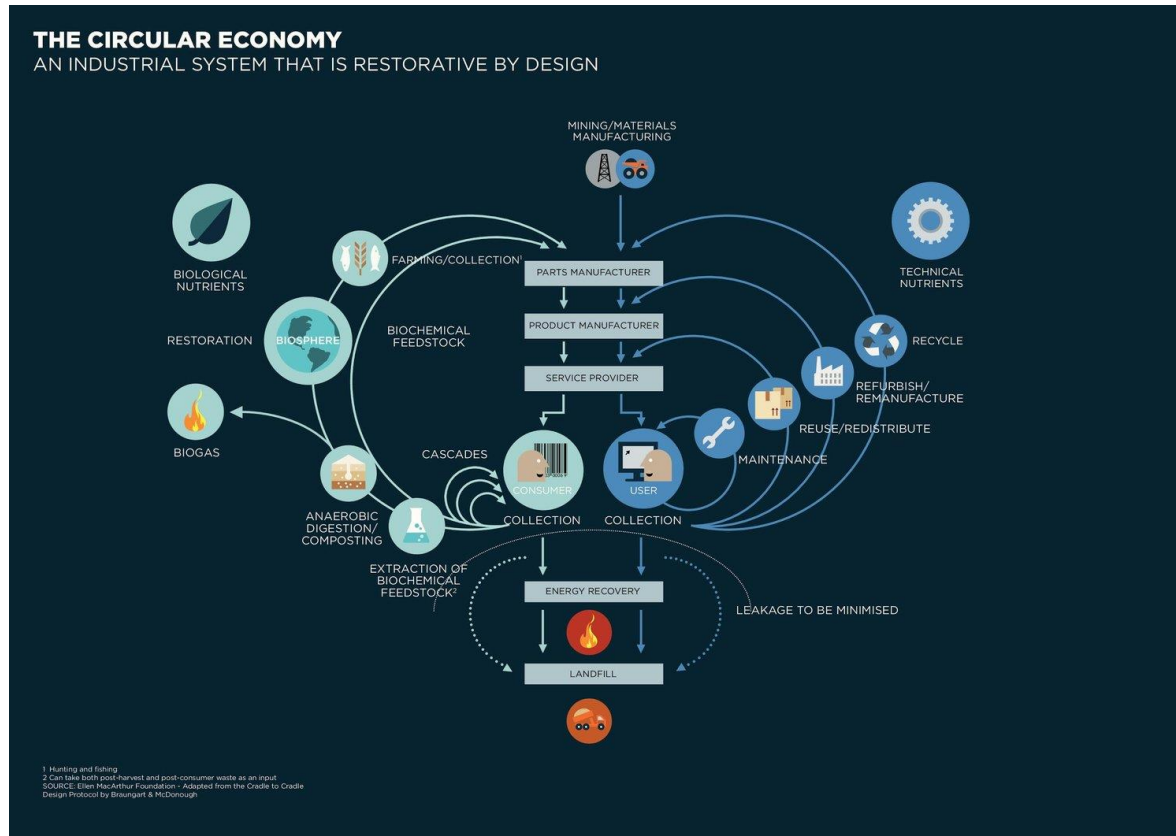
1	<b>Sovereign Bond &amp; DfN Swap</b>	<b>Sov:</b> New capital, new investors. <b>DfN:</b> Debt savings, local control, no new debt, focus on conserv.	<b>Sov:</b> Too small & need cap guarantees <b>DfN:</b> Loss of general finance & need donors/TA. <b>Both:</b> Cost/time, No scale
2	<b>MDB &amp; Privately issued Green Bond</b>	<b>MDB:</b> Quality, rate, guarantee. <b>Private:</b> Industry/community <b>Both:</b> Direct cash flows & KPIs	<b>MDB:</b> Limited resources - funds & mgt <b>Private:</b> Guarantees often needed <b>Both:</b> Project risk. Setup cost/time.
3	<b>Project Finance &amp; Syndicated Loan</b>	<b>PF:</b> Non-recourse infra finance. <b>SL:</b> Bigger scale with bank group <b>Both:</b> Lower setup cost & time	<b>PF:</b> Rev-generating projects only <b>SL:</b> Higher rate than bond <b>Both:</b> Strict controls. Limited funding.
4	<b>CAT Insurance &amp; Natural Cap insurance</b>	<b>CAT:</b> Fast payment if parametric <b>NC:</b> Prevention/restoration trust funded by business & donors	<b>CAT:</b> Premiums. No prevention finance <b>NC:</b> Industry commitment & donor
5	<b>Resilience Bond / Insurance &amp; Region Risk Pool</b>	<b>RBI:</b> Fund prevention projects from CAT premium savings <b>RRP:</b> Shared risks & premiums	<b>RBI:</b> Fantasy? Valuation models, insurers & investors not ready. <b>RRP:</b> Limits of MDB & donor support

Failure = Linear

*New Imperative:*

Success = Circular

# Transition Now to Circular Economy





**See Appendix for fact sheets:  
3 model bonds relevant to Atolls**

Our expert team is available to help  
Advise, structure & raise capital  
For coastal & island resilience

***Thank you***

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