

The ADB logo consists of the letters 'ADB' in a white serif font on a dark blue square background.

ADB

The UN Environment Programme logo features the letters 'UN' in a bold blue font above the words 'environment programme' in a smaller blue font, with a white globe icon to the right.

UN
environment
programme

The UNDP logo features a white globe icon on the left, and the letters 'UN' above 'DP' in a white sans-serif font on a dark blue square background to the right.

UN
DP

The background of the slide is an underwater photograph of a vibrant coral reef. The water is a deep blue, and the coral is in various shades of orange, red, and yellow. Small fish are visible swimming in the water.

SME BlueImpact Asia – Financing Small-Medium enterprises in the Blue Economy

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Blue SMEs – The Missing Middle

**Estimated \$5.5 trillion Total Gap to finance Asia's sustainable blue economy
At least \$2 trillion may be attributed to the needs of Blue SMEs & ecosystem projects**

SMEs dominate the Blue Sectors:

- Seafood Value Chains
- Sustainable Aqua- and AlgaeCulture
- Marine/Coastal Tourism
- Marine Energy
- Green Shipping
- Green Ports
- Marine Ecosystems
- Coastal Resilience
- Pollution Control
- Payments for Ecosystem Services

Blue SMEs - The Missing Middle

***Blue* Small-Medium Enterprises & Projects lack financial resources, yet they represent:**

- Over 70% of employment in developing countries
- Over 90% of enterprises (*World Bank & UNDP statistics*)
- Driving blue economy growth & innovation
- High degree of community involvement
- High dependence on healthy marine ecosystems

Investors need SMEs:

- Impact Funds
- Industry Ventures
- Development Banks
- Pension Funds
- Foundations
- Wealth Managers
- Family Offices
- Emerging Market Funds
- Blue Bonds

World Bank estimates global developing SME finance gap at \$5.5 trillion



Financing the Blue Economy – SME BlueImpact Asia

SME BlueImpact-Asia is a digital blended finance platform to match small enterprises with qualified investors to fill the SME financing gap in Asia & the Pacific

1. Blue SME Pipeline

With local partners & media, BIA identifies & invites Blue Economy SMEs seeking capital to the digital platform.



2. Investment Readiness

To participate, SMEs agree to meet criteria - financial & impact - during a 30-60 day readiness program.



3. Investor Engagement

Qualified investors register to see approved deals & funds. BIA Team engages on behalf of SMEs.



4. Close Deals

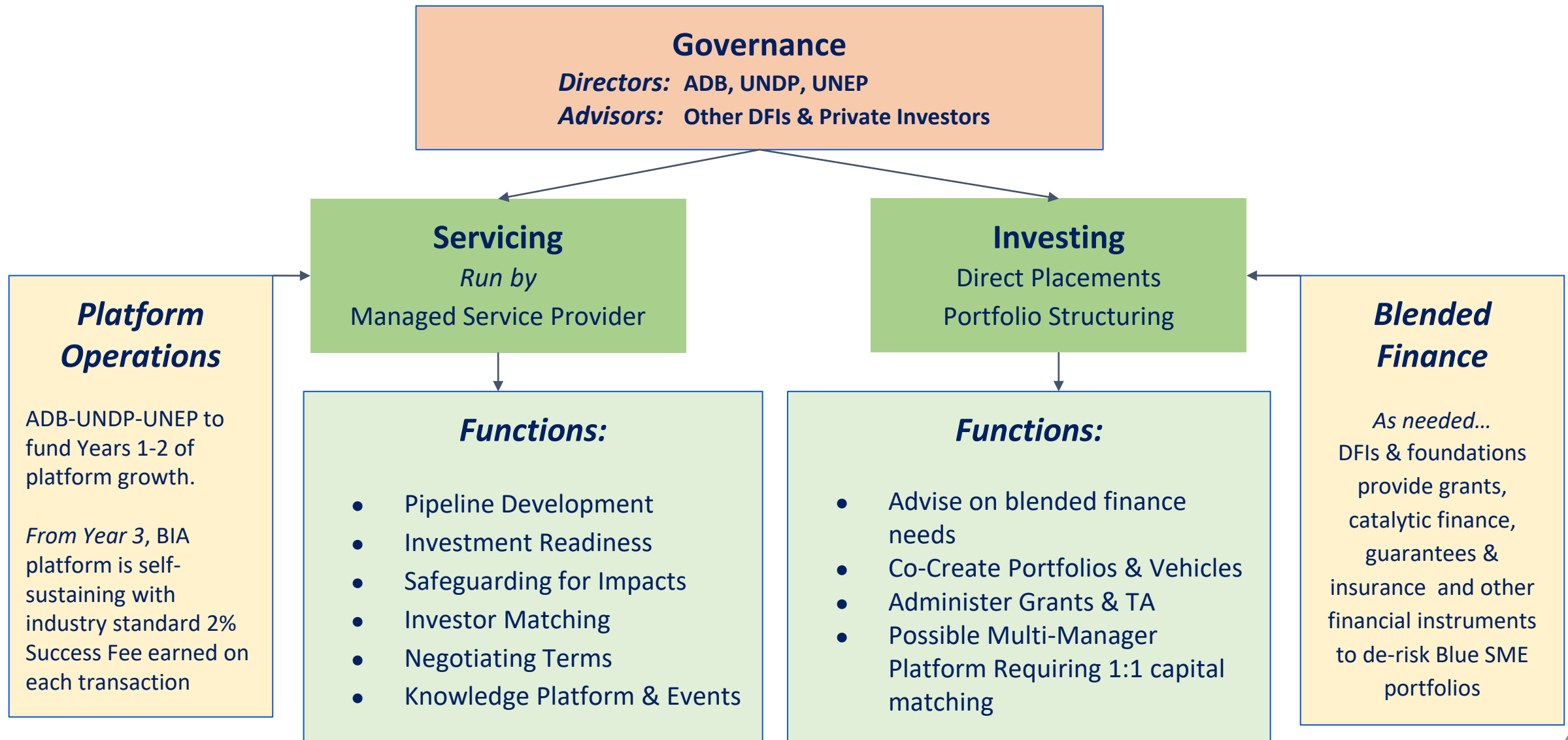
Investments are closed with:

- Direct placements
- Portfolio structuring
- Blended finance tools

SME Profile:

Raising \$100K-10 million. Revenues >\$500K. Employees >5.
ADB Developing Member Countries: 29 with ocean exposure
All Sustainable Blue Economy Sectors
Proven technology and measurable contributions to SDGs

Modelled after BlueInvest Europe platform and adjusted to the context of Asia and the Pacific





Financing Instruments for SMEs

Funding Source	Advantages for SMEs	Disadvantages for SMEs
E-Lending Platforms:	Time-efficient, Lower rates, Smaller loans	Credit checks required, shorter-term loans
Private Equity/Debt Funds	Capital with some TA, Valuation agreed, Early-stage possible	Avg holding=4yrs, Structure determines cost & risk sharing
Impact loans	Affordable rates via blending, TA usually included.	No (or reduced) funding if goals not achieved
Bank Loans	Traditional market-rate, build credit history, local support	Unable to qualify due to insufficient collateral or financial history
Blockchain Finance	Secure contracts for trade, transparency, higher farmer/fisher incomes	New technology, producers & consumers must use
Leasing	Equipment finance, less capital outlay	Equipment only, favors light use for residual value
Trade Finance	Risk reduction, off-balance sheet, customer-based	Expensive way to fund trade
Factoring	Recover some cash from receivables, Distressed play	Expensive way to raise cash
Private Placements	Limited investors, less regulation than bond issue	For established companies, not early-stage
Bonds	Develop broad investor base	For established companies w/ strong credit
Insurance	Customizable credit enhancement and capital protection	Perception of high costs and negative reputation



Blue Economy Impact Metrics

Evaluation of blue economy segments:

1. Relevance to ADB Healthy Ocean Action Plan?
2. Positive Social Impacts: Poverty, Gender, Health?
3. Positive Environmental Impacts?
4. Potential for Market Scalability?
5. Capacity for Innovation & Growth?
6. Benefit from Regional Governance Frameworks?
7. Opportunity for SMEs?
8. Capacity to attract Private Investment?

Targeted KPIs by 2030

- **250 SMEs reached:** Seafood Value Chains, Sustainable Aqua-, Mari- and AlgaeCulture, Marine/Coastal Tourism, Marine Energy, Green Shipping, Green Ports
- **\$1.5 billion** deployed with private investors
- **2500 Jobs** created
- **20M metric tons of CO2** stored in blue forests
- **150'000 Hectares** of Marine Areas Protected
- **30'000 Hectares** of Blue Forest Restored/Protected
- **4000 Children** gaining Education
- **1000 Women** gaining Financial Independence

Principles, Standards and Guides for every blue economy sector build the reference for establishing, financing and monitoring the performance investment projects



Impactful, replicable, scalable and bankable Blue SME projects

Theme	Company	Description	Problems Addressed	Finance Mechanism
Seaweed Farming	MARI Oceans	Scaling seaweed operations from 150Ha in 2022 to 2000Ha in 2026 across artisanal & mechanised sites	Meet rising seaweed demand. Positive impacts on local incomes, gender, nutrition, coastal restoration, negative carbon, risk mgt.	Sustainability-Linked Loan or Credit Guarantee. <i>Raising \$8.5M for 30% stake with Pre-money valuation of \$20M</i>
Seaweed Commercial Infrastructure	Sea Green	Blockchain tech for high growth seaweed industry	Need for transparency, scaled production, customer leverage, improved farmer incomes, quality control, risk mgt	Venture equity in high-growth, low capex, sustainability. <i>Raising \$9M for 25% stake with Pre-money Valuation of \$27M</i>
Marine Ecosystems	BlueFinance	Network of 10 bankable MPAs	MPAs supported by tourism, fishing, blue carbon revenues	Credit Guarantee for Capex loan. Partial-Grant on OPEX. <i>Raising \$3M.</i>
Seafood Processing	Meliomar	New Seafood Processing Plant, Carbon-Neutral, Sustainable sourcing	Need for local processing, Sustainable seafood, Empowering local communities	Credit Guarantee or other catalytic funding of Capex. <i>Raising \$8M.</i>



Ocean Assets Group

is a partnership of experienced financiers
providing research & advisory services
to multilateral banks & governments
for a sustainable blue economy

Many thanks

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