



EAST ASIA OCEAN INVESTMENT FACILITY

PARTNERSHIP FOR BLUE ECONOMY INVESTMENT IN THE SEAS OF EAST ASIA

Investing in Sustainable and Resilient Coasts and Oceans

Coasts and oceans are among the most productive ecosystems on the planet, providing a rich array of services that support coastal communities and underpin economic activity. Valued conservatively at US\$2.5 trillion annually, but under increasing pressure and decline, there is growing need to invest in the health and sustainability of coastal and oceanic environments.

The Seas of East Asia, covering roughly 7 million km² with 235,000 km of coastline, are some of the most ecologically and economically important sea areas in the world. The region is home to over one third of all coral reefs and mangroves, accounts for over 80% of the world's aquaculture products and over 32 million tons of annual fish catch, and is a global hub for ocean-bound trade and coastal tourism. These sectors account for more than 25% of GDP in some East Asian countries.

Identifying good quality, investment-ready projects in the region that are in line with investor requirements can be a major hurdle to bringing more public and private capital to bear in addressing sustainable development of coasts and oceans.

Enabling Investment in Coasts and Oceans in East Asia

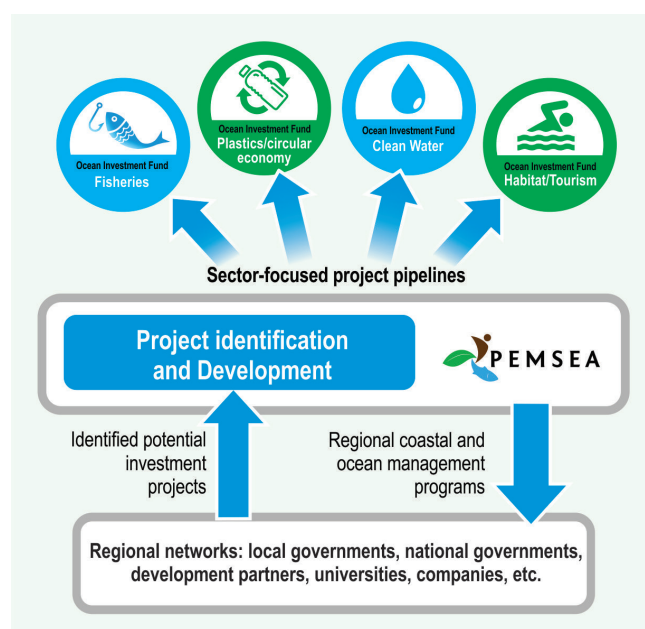
Operating at the regional, national and local levels for 25 years, Partnerships in Environmental Management for the Seas of East Asia (PEMSEA) was established with a clear mission—to foster and sustain healthy and resilient oceans, coasts, communities and economies across the Seas of East Asia. The Sustainable Development Strategy for the Seas of East Asia, supported by the Global Environment Facility (GEF) and the United Nations Development Programme (UNDP), serves as a science- and stakeholder-based planning and action framework for supporting investment in coasts and oceans in the region, aligned with the UN Sustainable Development Goals (SDGs).

The **East Asia Ocean Investment Facility (EAOIF)**, managed by PEMSEA, offers investment services to local governments and project stakeholders, along with regional and global investment funds. The EAOIF assists in the identification, development and consolidation of blue economy investment projects, targeting

projects that are financially sustainable and that generate measurable positive social and environmental impact. Acting as a mediator between projects and investment funding, PEMSEA, through the EAOIF, leverages its 25 years of working on the ground in the region with different coastal and ocean project stakeholders and with Investment Funds requesting assistance to source projects.

The EAOIF helps Project Proponents to:

- Identify investible projects that address the priority management concerns of local governments and stakeholders, at the same time assisting in knowledge transfer to build internal capacity
- Assess business and financial models and connect with a network of experts to help develop investible projects
- Identify Project Developers and/or Investors to complete feasibility studies
- Tap into a growing pool of interested investment funds, matching with the right investment capital and capital structuring, including blended finance from private sector and donor sources
- Promote investment projects to potential investors, assisting with negotiation, development and investment close



The EAOIF helps Investment Funds by:

- Leveraging a regional network of national and local governments, research and science institutions, international and donor agencies, regional programmes, NGOs and companies—including the PEMSEA Network of Local Governments (PNLG) and PEMSEA Network of Learning Centers (PNLC)—to identify investment opportunities
- Providing political context and minimizing risks for effective functioning of investments, building on PEMSEA's relationships and 25 years of governance work at the national and local levels
- Identifying opportunities for aggregation, alignment and collaboration with complementary projects, initiatives and enterprises supporting investment projects
- Tailor-fitting projects to investor requirements, including structuring and monitoring for sustainability and impact using indicators-based monitoring and evaluation and reporting systems

Priority Sectors

PEMSEA believes that sustainable development cannot be achieved by addressing issues in isolation. Its work over the past 25 years has been built on the principles of integrated coastal management (ICM), and the EAOIF therefore facilitates investments across a range of interconnected sectors:

- Sustainable tourism / ecotourism
- Sustainable fisheries and aquaculture
- Solid waste management, marine debris and ocean plastics
- Wastewater management and resource recovery
- Climate smart development and coastal resilience
- Ocean-based technology (e.g., marine renewable energy, ICT, environmental services, etc.)

The facility aims to assist projects that can generate positive environmental, social and financial returns. Projects should be able to demonstrate a sustainable business model with measurable impact.

Geographic Focus: Cambodia, PR China, Indonesia, Japan, Lao PDR, Malaysia, Philippines, RO Korea, Singapore, Thailand, Timor-Leste, Viet Nam

The facility can link to and utilize a variety of investment products and mechanisms:

- Loans
- Equity
- Grants
- Hybrid Investments (Mezzanine, Quasi Equity, etc.)
- Public-private partnerships

Potential use of capital:

- Seed Capital
- Growth Capital
- Working Capital
- Capital purchases
- Trade financing
- Project financing

Case Example: Investing in Marine Protected Areas

The Province of Oriental Mindoro is located 140km south west of Manila in the Philippine archipelago, with its beautiful natural setting and rich marine biodiversity, offers the perfect context for dynamic and sustainable economic development through the nature tourism and fisheries sectors. The health and attractiveness of these destination ecosystems rely on the effective governance of marine protected areas (MPAs) and applications of smart financing tools. The EAOIF is assisting Oriental Mindoro in the development of potential impact investments by assessing the gaps and needs of the Province through stakeholder consultations with local NGOs, communities, public officials and the concerned government agencies. The EAOIF will facilitate the implementation of a Public-Private Partnership (PPP) for the co-management of the MPAs through its partner, Blue finance, which brings technical expertise on conservation and investment capital through its investors. This will help the local communities sustainably manage their natural assets, generate jobs, and assist in the governance and protection of the MPA. Blue finance is developing five PPP agreements in the Caribbean and is now partnering with the EAOIF to replicate its successful business and conservation model in East Asia.

Expected Funding Sources

The facility aims to apply "blended finance" approaches where public or donor funding is complemented with private capital to generate positive results both for the community and the investors. In line with this principle, capital may be sourced from multiple funder types:

- Impact Investment Funds
- Multilateral Funding
- Bilateral Funding
- Foundations and other Charitable Institutions
- Public and Private Grants
- Private Equity or Debt Funds
- Corporate Social Responsibility (CSR) Funding

Submitting Investment Projects

The EAOIF has developed a simplified two-page Project Submission Form designed to balance ease of use while obtaining the necessary preliminary information to understand the project and its needs. Interested parties can start by either contacting our dedicated Investment Specialist or submitting project information via the Seas of East Asia Knowledge Bank (<http://seaknowledgebank.net/investment-preparation/Prepare-ICM-Investment-Project-Profile>)

For more information, contact Aimee Gonzales, PEMSEA Executive Director at agonzales@pemsea.org



PEMSEA Resource Facility

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