



**Gareth
Cunningham**

**Director of
Conservation &
Policy**

What is sustainable blue finance?

Sustainable blue finance refers to investment in ocean-related investment.

Supporting the transition from extractive practices to a regenerative ocean economy.

Why is it needed?

- The UK's marine economy demonstrates that economic development and environmental enhancement are not opposing goals- they are mutually reinforcing.
- When the ocean is healthy, it supports thriving industries, resilient coastal communities and long-term economic productivity.
- Blue finance- investment directed towards sustainable ocean recovery- shows strong potential to generate both economic and environmental returns.

State of Private Blue Finance: Report conclusions

- Report looked at the barriers to mobilising private blue finance in ocean regeneration projects. These were:
1. **Low ocean literacy:** Ocean issues remain a low priority in the finance sector, with progress mostly focused on terrestrial challenges like deforestation and the effects of agriculture. A lack of clear definitions around 'blue economy' and 'blue finance' makes it difficult to invest. Financiers often struggle to assess ocean risks, while conservationists may lack the financial acumen to design investible projects.
 2. **Fragmented engagement:** Awareness tends to focus on well-known issues such as plastic or chemical pollution, where financial risks like litigation or reputational damage are clearer. Without consistent engagement from all financial actors, companies can still access capital from less environmentally focused investors.
 3. **Data deficit:** Finance institutions often lack access to the data or information needed to quantify risks and verify the ecological impact of their assessments.



State of Private Blue Finance: Report conclusions

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- 4. Misaligned timeframes:** Ecological recovery can span decades, while financial instruments like blue bonds typically mature in five years, making short-term impact hard to demonstrate.
 - 5. The missing middle:** Most projects remain small-scale and are dependent on grants, which cover start-up costs but rarely cover long-term investible opportunities. Large financiers often seek projects worth hundreds of millions that can deliver viable returns, leaving SMEs unable to access the £5-10 million needed to scale. This creates a gap between small grant-funded projects and large-scale investment
 - 6. Perceived low returns:** Blue economy projects are often seen as high-risk and low-return. Despite the financial risks of ocean decline, the pressures of making short-term profit are large.



State of Private Blue Finance: Report conclusions

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7. **Fears of greenwashing:** Unclear definitions, long timelines and patchy data deter investors concerned about reputation risk. Many await proven case studies before committing capital.
 8. **Policy environment:** Marine threats like water pollution and unsustainable fishing practices continue to heighten investment risks. Complications around ownership and licensing of sea space add additional barriers for ocean regeneration projects.



How can the UK Government support a sustainable blue economy?

Create a Clear National Direction

- Develop a **Sustainable Blue Economy Strategy for England**, aligned with devolved nations
- Reduce policy fragmentation and give investors long-term certainty

Lead by Example & Empower Financial Institutions

- Fund early-stage nature-positive projects to de-risk private investment
- Encourage institutions to influence supply chains and push for enabling regulation
- Build a new economic narrative that places ocean regeneration at the centre of long-term prosperity

Unlock Investment Through Blended Finance

- Combine public, philanthropic, and impact capital to de-risk projects
- Build on progress in green and biodiversity finance rather than starting from scratch
- Provide the catalytic funding needed to crowd in private capital

How can financiers support the sustainable blue economy?

- Financiers play a key role in shifting the financial system from inadvertently driving ocean decline to actively enabling ocean recovery. They can do this by:
 - Understanding the ocean as a material financial issue
 - Helping build investment-ready projects
 - Collaborating across sectors
 - Fixing the data gap
 - Using systemic risk narratives to justify action
 - Deploying blended finance to crowd in capital
 - Advocating for enabling policies
 - Shifting portfolios toward ocean-positive activities





How can coastal communities benefit from a sustainable blue economy?

Job creation and local economic growth

- Investment in ocean regeneration creates jobs at a scale that outperforms many traditional sectors.
- Evidence from US coastal restoration projects shows that every \$1 million invested generates up to 30 jobs- around six times more than equivalent spending in oil and gas.
- Each job also creates 1.48-3.8. additional jobs in the local economy through supply chains and increased local spending.

For the UK's coastal communities, this means:

- More employment opportunities in restoration, monitoring and marine science.
- Opportunities for growth in supporting services (boat operators, equipment suppliers, contractors).
- New career pathways for young people in coastal skills, nature restoration and marine innovation.

THE OCEAN DECADE

VISION: THE SCIENCE WE NEED
FOR THE OCEAN WE WANT.

Mission: Transformative ocean
science solutions for sustainable
development, connecting people
and our ocean.

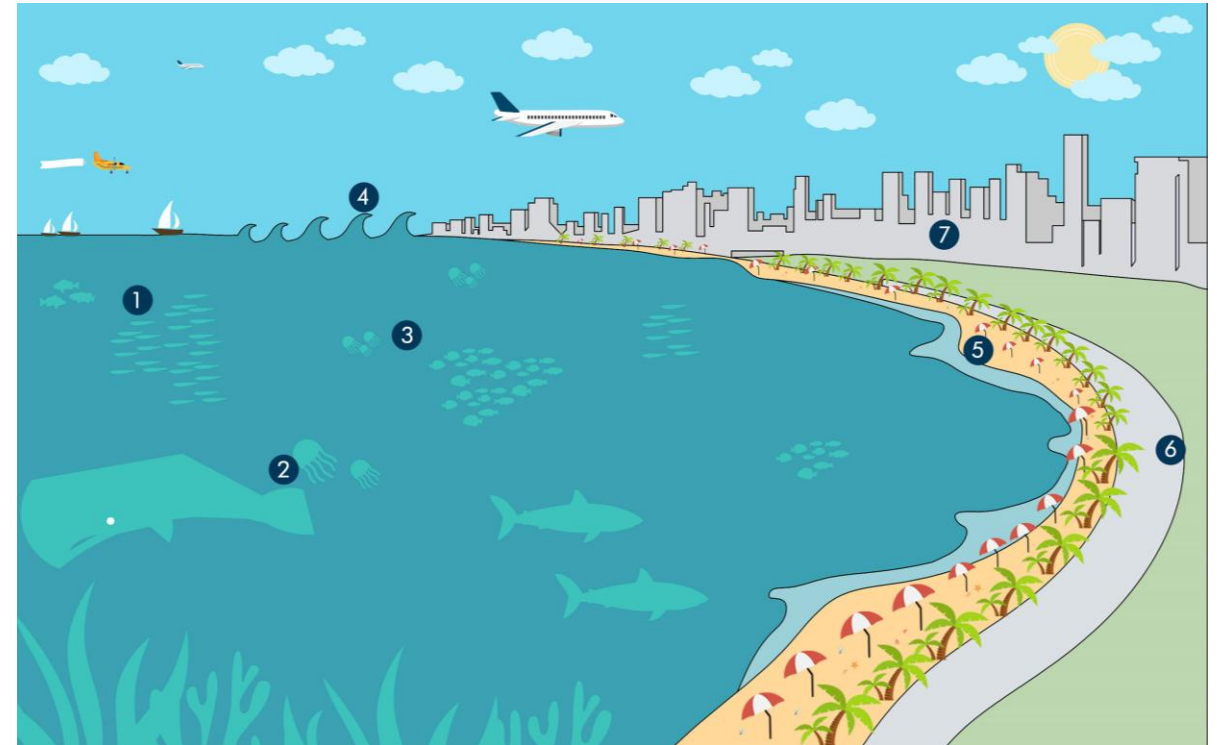
10 Years. 10 Challenges. 1 Ocean.



THE OCEAN WE WANT

The 7 Ocean Decade Outcomes describe the Ocean We Want:

- 1 *A clean ocean*
- 2 *A healthy & resilient ocean*
- 3 *A productive ocean*
- 4 *A predicted ocean*
- 5 *A safe ocean*
- 6 *An accessible ocean*
- 7 *An inspiring & engaging ocean*



Science and Dissemination for the UN Ocean Decade
Outcomes: Current Trends and Future Perspectives

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Sec. Global Change and the Future Ocean
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Francesco Caruso^{1*} Pietro Tedesco^{2*} Gerardo Della Sala² Fortunato Palma Esposito² Marco Signore¹
Simonepietro Canese³ Teresa Romeo⁴ Marco Borra³ Claudia Gili^{1**} Donatella de Pascale^{2**}

Ocean Decade Actions



The UN Ocean Decade Vision 2030 White Papers are 10 strategic documents, each addressing a specific Ocean Decade Challenge.

Designed to identify key science, capacity, and infrastructure needs required by 2030.

They outline priority datasets, gaps in knowledge, and necessary partnerships to achieve a sustainable, healthy, and resilient ocean.

Examples of Nature Based Solutions

Living assets to deliver measurable ecological and economic returns, maintenance-free.



Spatial mapping of the role of coastal habitats in mitigating flood risk

- Coastal habitats can play a key role in mitigating the risk of flooding and safeguarding economic assets.
- For reducing flood risk, there is a need to identify locations where these habitats provide a flood reduction benefit in order to highlight the importance of these natural defences and encourage their sustainable management.
- Assess the 'functional value' of habitats along the coastline for mitigating flood risk;
- Assess the potential reduction in flood damages the habitats provide to assets at risk of flooding; and
- Identify areas on the Welsh coast where habitats potentially provide a vital benefit to mitigating flood risk and reducing damages.

An example from Wales

Combine with monetary data to estimate the value derived from flood protection.

The flood mitigation benefits provided by the habitats were measured according to the protection provided to properties (residential and commercial), agricultural land, and road and rail infrastructure.

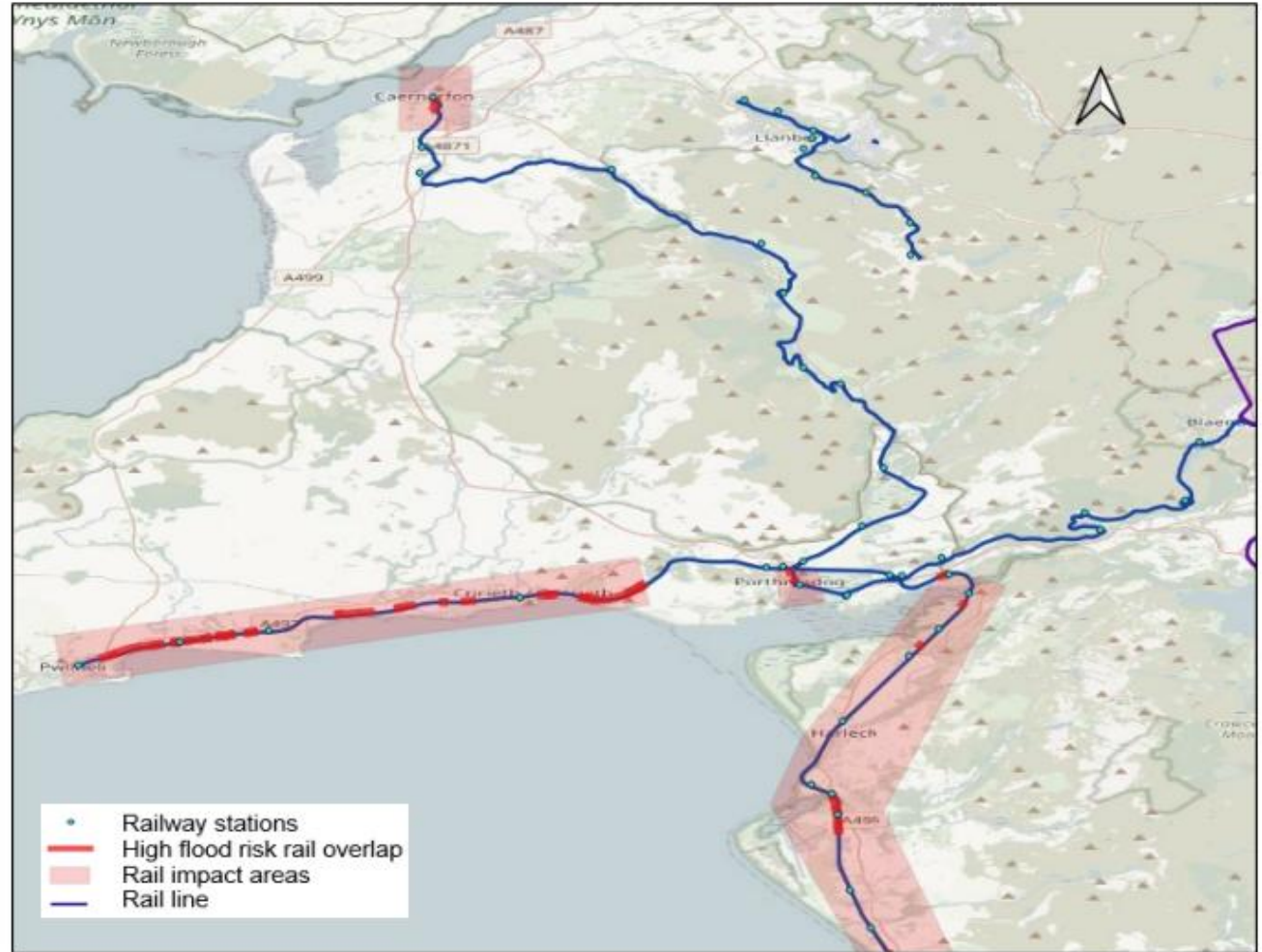


Figure 2.8 Example of rail impact area grouping used to estimate the number of services affected by flooding

Wales Case Study:

Undertaken by NRW and ABPmer

- The total annual benefits provided by coastal habitats in this study are estimated to be in the order of £36.1 million (central estimate) in 2025, largely driven by the avoided damages to properties (48%) and secondly by the avoided disruptions to rail services (37%).

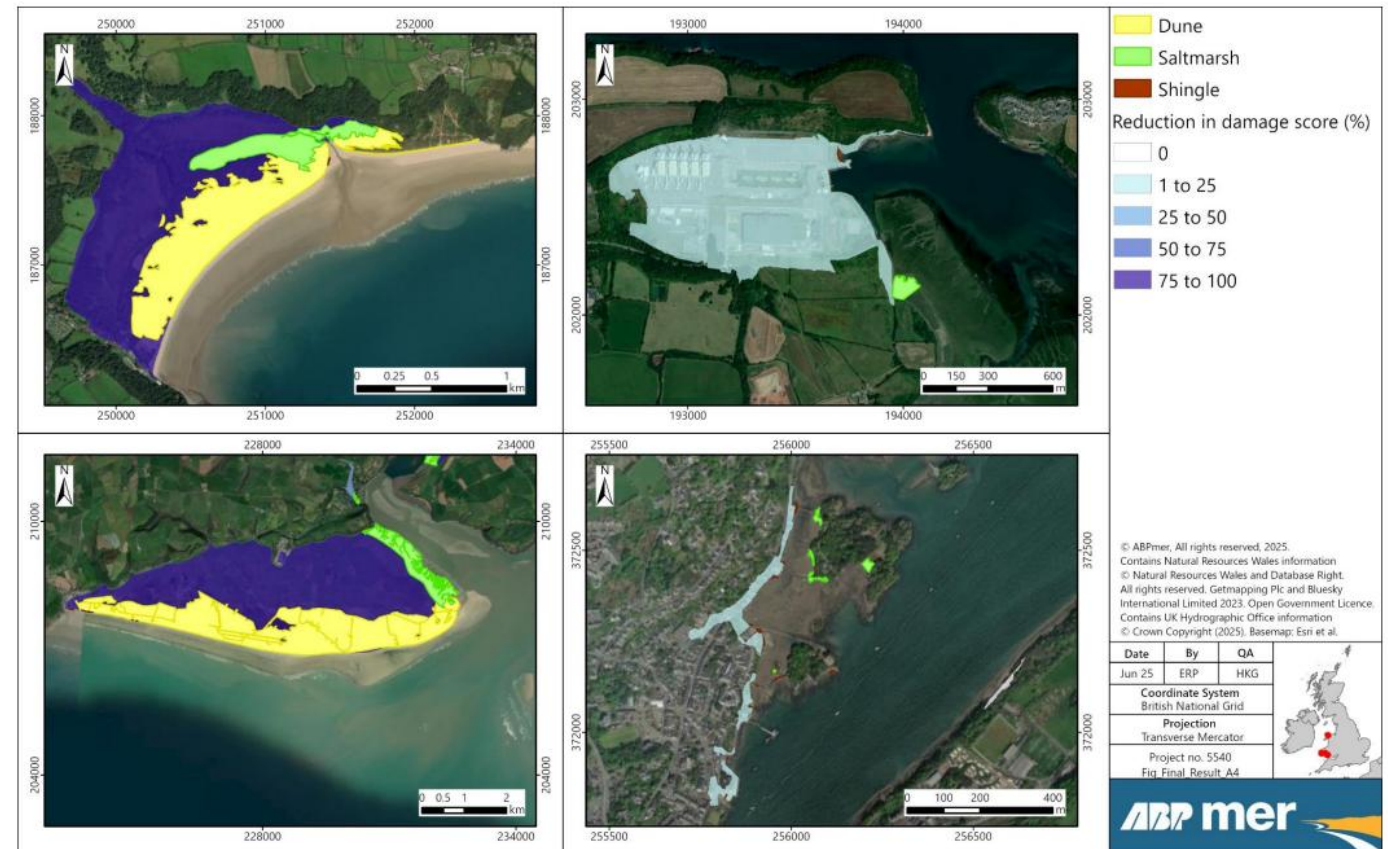
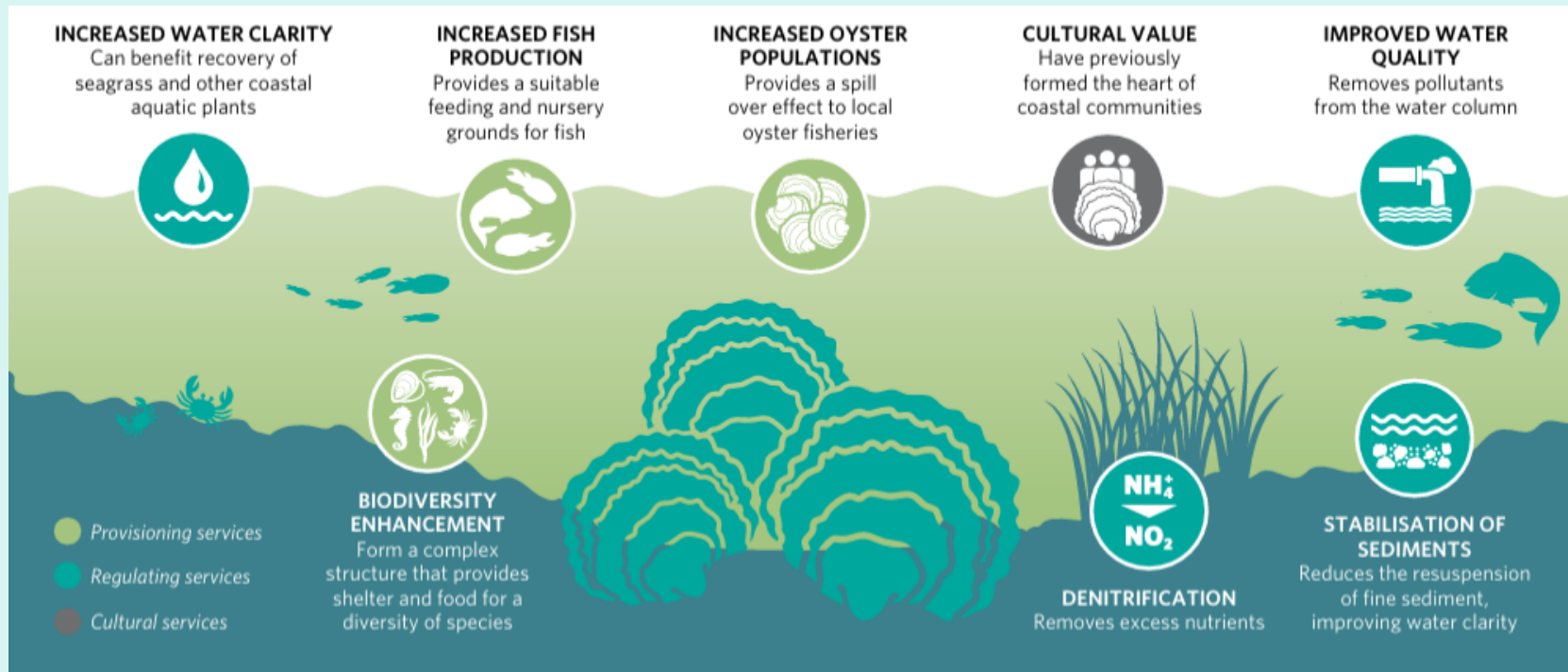


Figure 3.2 Examples of Coastal Units which had high and low reduction in damages scores symbolised by their associated Accommodation Space

Oysters – habitat builders and filtration

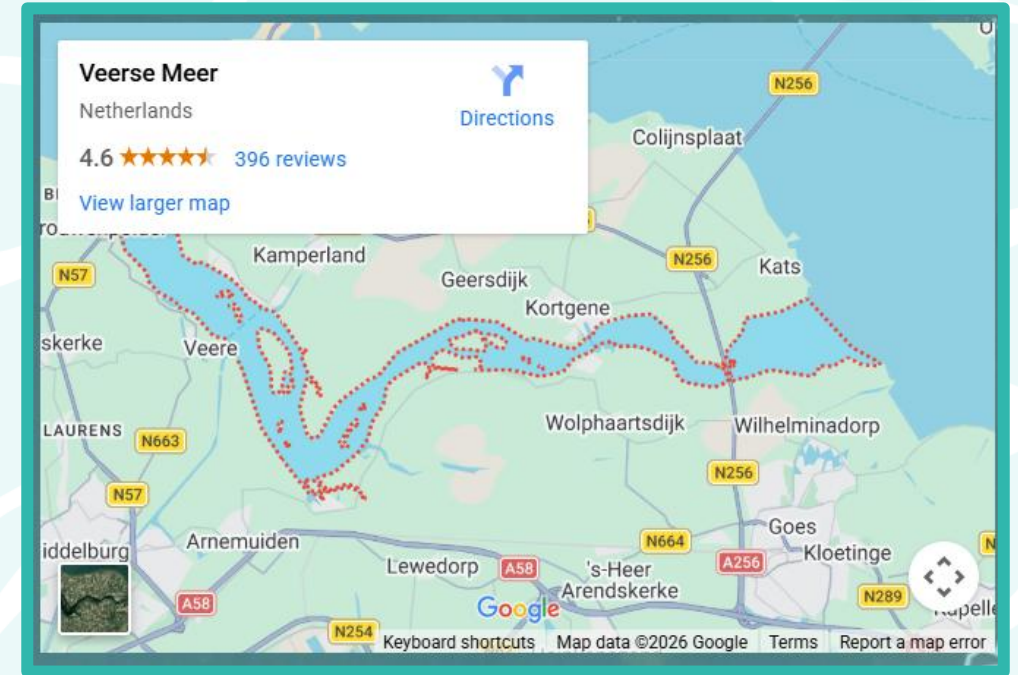
- Native oyster reefs are among the most threatened marine habitats in Europe; in the UK and Ireland populations have declined by 95%. With this decline we have lost the ecosystem services and functions provided by the habitat.
- A regenerated oyster reef can be used as one of the tools to help manage an organisation's environmental footprint allowing vital industries to persist into the future and funding the regeneration of more oyster reefs.
- Reduce coastal storm surge through wave attenuation.
- Improve local water quality for tourism, biodiversity, and commercial seafood species.



Economic impact & benefits

Project Asta

- 4 million oysters deployed in Veerse Meer – Zeeland
 - Manage **2.5 tonnes of nitrogen** a year
 - And an estimated **100–900 tonnes of carbon stored** in shells, living biomass and additional nitrous oxide impact
- Deployed by local fishermen, supplementing income

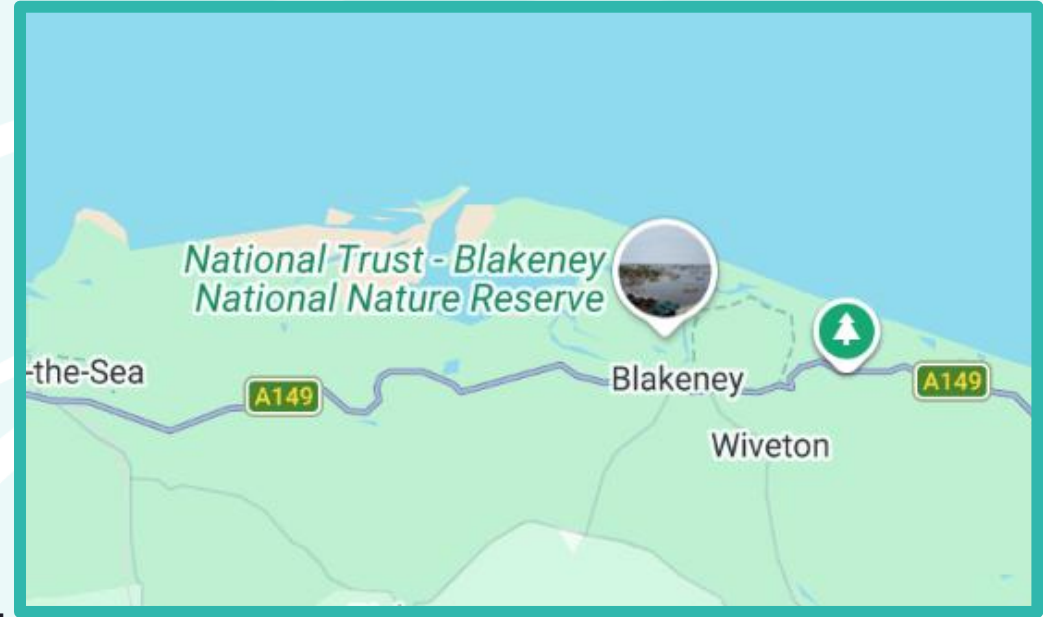


Oyster Heaven

Economic impact & benefits

Project Luna (UK)

- 5-hectare native oyster reef + seaweed aquaculture project off Blakeney, North Norfolk
- Uses Integrated Multi-Trophic Aquaculture (IMTA) to restore habitats and improve water quality
- Co-created between Oyster Heaven and Norfolk Seaweed Company and rooted in the local fishing community
- £1.88m in subcontracting to local vessels, contractors, ecologists, and marine specialists
- Designed to generate paid local work, strengthen fisheries, and build long-term restoration capability



Oyster Heaven

Accelerate delivery of Nature Based Solutions

- **Licensing** – Licensing is mandatory and time intensive. Approval times can significantly affect when projects can move to delivery. Licenses for restoration could be sped up by delivery of "pre-approval" areas – guiding the right project to the right place.
- **Habitat Regulations Assessments** – This is the requirement to prove that conditions are right for the proposed habitat within MPAs and forms part of the overall license conditions. While we should avoid damage to a site, there is limited support to restore wider ecological function, we must consider how we deliver recovery not just mitigation.
- **Need for species opportunity mapping** – Developing strategic data mapping of where restoration is ecologically viable would significantly strengthen project design and efficiency. It would allow faster scoping, reduce reliance on tailor made investigations, and enable us to build a clearer, more proactive pipeline of high-potential projects ready for funding and delivery.
- **Corporate, trusts & private funding** – Investment is often looking for pre-approved, large-scale projects. Funding for the development, scoping and pilot work is difficult to obtain, delaying UK restoration work as the evidence base is slowly built.

