PACIFIC OCEAN FINANCE PROGRAM

OBJECTIVES

1. MECHANISMS
   Analyse & develop novel ocean finance solutions

2. PROFILES
   Assess ocean finance status & opportunities for Pacific Island countries

3. CAPACITY
   Enhance Pacific regional capacity in ocean finance & governance

Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
Ocean Finance

is defined as generating, investing, aligning, and accounting for financial capital to produce sustained ocean health & governance

1. GENERATE
   Generate public and private financial capital through traditional and innovative finance mechanisms to create a diversified portfolios.

2. INVEST
   Invest financial capital strategically, effectively, efficiently against ocean policies and frameworks.

3. ALIGN
   Align public and private economic incentives with long-term ocean health.

4. ACCOUNT
   Account for how financial capital is deployed against performance benchmarks, and account for values of marine ecosystem services through time.

Walsh 2018
Generate public and private financial capital through traditional and innovative finance mechanisms to create a diversified portfolio of revenue that supports ocean health.

INVESTORS

- National Governments
- Development Partners
- Foundations & Individuals
- Corporations
- Institutional Investors

Financial mechanisms:
- Taxes
- Trust Funds
- Guarantees
- Subsidies
- Development Aid
- Fines
- Fees
- Bonds
- Loan Funds
- Insurance
- Donations for Ecosystem Services
- Credits
- Debt Swap
- Equity
- Fiscal Transfer

Results:
- Clean Water
- More Fish
- Resilient Communities
- Healthy Habitats
- Economic Opportunities
MECHANISM DEPENDS ON CONTEXT

- EMPA
- PAYMENTS FOR ECOSYSTEM SERVICES
- OFFSETS
- BONDS
- FINES
- FEES
- LOANS
- IMPACT INVEST
- INSURANCE
- TRUST FUNDS
1 GENERATE

Generate public and private financial capital through traditional and innovative finance mechanisms to create a diversified portfolio of revenue that supports ocean health.

WWW.PACIFICOCEANFINANCE.ORG
INVEST

Invest financial capital strategically, effectively, and efficiently to achieve measurable ocean outcomes and sustained ocean governance.

IMPACT INVESTMENT BY SDG (ELDGRIDGE AND LIBES 2018)
### ALIGN
Align public and private economic incentives with long-term ocean health.

#### SPTO PACIFIC SUSTAINABILITY MONITORING PROGRAM
- Energy Management
- Water Management
- Waste Management
- Procurement
- Employment
- Pollution
- Conservation
- Cultural Heritage

#### EXAMPLES OF TAXES & SUBSIDIES AFFECTING PACIFIC OCEAN FINANCE

<table>
<thead>
<tr>
<th></th>
<th>Beneficial</th>
<th>Harmful</th>
<th>Mixed or Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy</strong></td>
<td>Renewable energy subsidies</td>
<td>Tax concessions for new power stations</td>
<td>Ocean energy industry concessions</td>
</tr>
<tr>
<td><strong>Fishing</strong></td>
<td>Bycatch reduction subsidies</td>
<td>Fossil fuel subsidies</td>
<td>Capacity-increasing taxes and subsidies</td>
</tr>
<tr>
<td><strong>Resource Extraction</strong></td>
<td><strong>Prospecting tax deductions</strong></td>
<td></td>
<td>Quarry registration fees</td>
</tr>
<tr>
<td><strong>Agriculture</strong></td>
<td>Tax credits for purchase of fertiliser - reducing equipment</td>
<td>Subsidies for purchase of fossil fuels</td>
<td>Agricultural investment tax credits</td>
</tr>
<tr>
<td><strong>Tourism &amp; Development</strong></td>
<td><strong>Per capita visitor and user taxes</strong></td>
<td></td>
<td>Concessions for new construction</td>
</tr>
<tr>
<td><strong>Water &amp; Waste Management</strong></td>
<td><strong>Tax credits for recycling waste</strong></td>
<td>Subsidies for raw materials</td>
<td>Water pricing schemes</td>
</tr>
</tbody>
</table>
Account

Account for how financial capital is deployed against performance benchmarks, and account for values of marine ecosystem services through time.

Interactive Map of Economic Values of Pacific Marine Ecosystem Services

(HTTP://MACBIO-PACIFIC.INFO)

Values have been converted to US$ based off January 1, 2015 currency rates from www.oanda.com
Ocean Finance Profiles - FFA & PIFS - OPOC

1. GENERATE
2. INVEST
3. ALIGN
4. ACCOUNT

Contracts Underway

Pacific Ocean Bond - ARE
Pacific Ocean Insurance - Willis Towers Watson
Community MMA Finance - WWF & Ikigai Advisors
LSMPA Finance - coming soon

Taxes & Subsidies - Sapere & Vertigo
Upcoming Events

SAVE THE DATE
PLEASE JOIN US IN SUVA, FIJI FOR THE
PACIFIC
OCEAN ALLIANCE
MEETING
1ST - 4TH OCTOBER 2019

“A SECURE FUTURE FOR OUR BLUE PACIFIC: SUSTAINABLE DEVELOPMENT, MANAGEMENT AND CONSERVATION OF OUR OCEAN”

Pacific Ocean Finance Conference
11-15 Nov 2019
Fiji

Venue to be announced soon
Registration and Abstract Submission Open May 2019
BULA VINAKA

RiibetaA@Forumsec.org

Melissa.Walsh@FFA.int

www.PacificOceanFinance.org