

Empowering Marine Protected Areas

A Groundbreaking Financing Solution with Simmons & Simmons and Blue Alliance

In a landmark initiative, Simmons & Simmons has teamed up with [Blue Alliance Marine Protected Areas](#), a network of international organisations, including leading non-profit entities, to develop a **pioneering impact debt facility** aimed at catalysing economic and environmental benefits within **Marine Protected Areas (MPAs) in emerging economies**.

The initiative ensures consistent, scalable financing that drives marine biodiversity protection, supports local communities, and fosters the growth of the blue economy while underscoring the powerful role financial institutions (FIs) can play in advancing marine conservation and creating new markets in the blue economy.

Innovative Financing for MPAs



An Innovative Financing Model for MPAs

This **first-of-its-kind impact loan facility** represents an investment of up to USD 10 million aimed at scaling coral reef conservation efforts and supporting reef-positive businesses. Structured with an initial commitment of USD 2.4 million from BNP Paribas, the facility includes an accordion feature allowing additional lenders to join to support both up-front and early-stage financing for businesses that protect and sustain coral ecosystems within MPAs.

By relying on a **blended finance approach**—combining philanthropic support and private capital—this model offers patient capital essential for MPA resilience and sustainability.



Outcome-Driven Performance: Tying Returns to Impact

This facility's interest rate structure is **outcome-based**, linked directly to social and environmental KPIs. The borrower gains preferential terms by achieving goals in reef health, community engagement, and income generation, aligning financial incentives with impact. Blue Alliance's **KPI-driven design** ensures that resources target impactful projects, tackling reef degradation and generating revenue for MPA management.

This model offers a balanced investment that combines financial and environmental returns, building credibility in impact-driven portfolios within the blue economy.



Empowering Local Reef-Positive Entities (LRPEs)

Blue Finance, a UK-incorporated entity under Blue Alliance, will distribute funds to LRPEs through loan and repayable grant agreements. These entities, **developed in collaboration with local communities**, contribute financially to MPA upkeep while addressing reef degradation and boosting food security.

With a focus on participatory management, this facility drives both financial sustainability and local empowerment.

Behind the Loan: Unlocking New Pathways for Financial Institutions in the Blue Economy



Capture a Share of the USD 24 Trillion Blue Economy

The blue economy represents a fast-growing **market valued at USD 24 trillion**, spanning energy, marine foods, shipping, tourism, and marine protection.

By developing products tailored to blue economy investments, FIs can access a lucrative new market segment while supporting sustainable business models in emerging economies. This facility's structure exemplifies how FIs can effectively engage with this market through blended finance solutions.



Strengthen ESG and Climate Resilience Goals

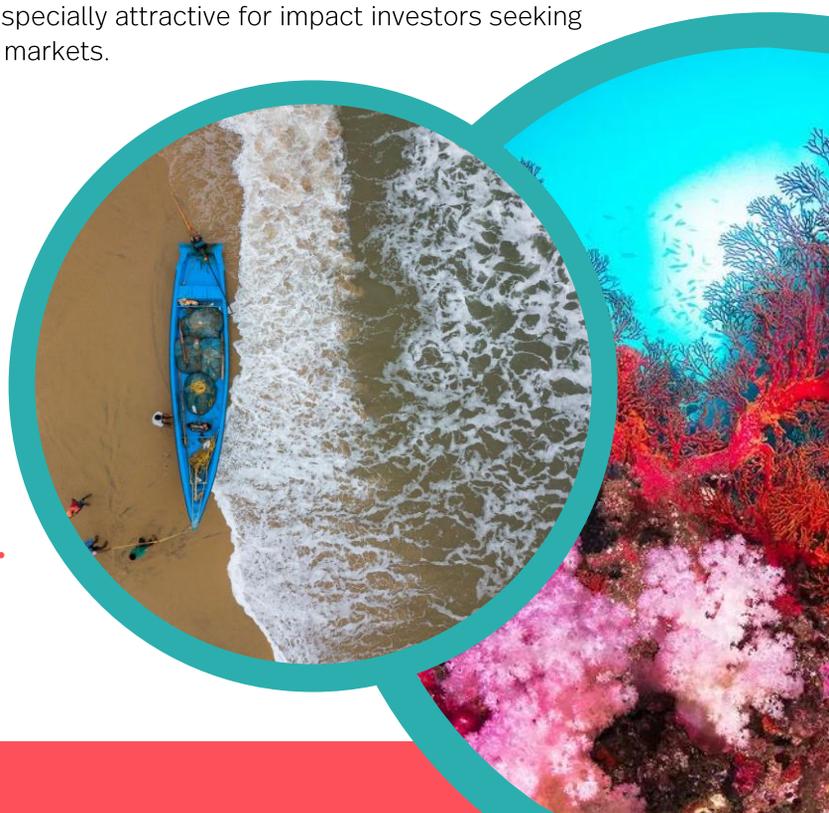
The blue economy is pivotal to meeting global climate and biodiversity targets. MPAs act as carbon sinks and are instrumental in protecting marine biodiversity. Through tailored financial products, FIs can achieve ESG objectives and support global sustainability goals. This facility's approach to **impact-based KPIs** offers a practical model for FIs to align their portfolios with **sustainable and resilient assets**.



De-risking and Scaling Impact Investments

In regions where traditional conservation finance has struggled, this facility demonstrates the viability of scalable, impact-driven financing models. By leveraging **blended finance** to reduce risks, FIs can invest with confidence in emerging blue economy markets. The facility's structure not only de-risks investments by **tying financial returns to well-defined KPIs** but also offers a **replicable framework to support the growth and scalability of similar initiatives worldwide**. This approach is especially attractive for impact investors seeking reliable returns in sustainable markets.

This facility showcases an investment model that recognises the value of the blue economy, focusing on positive ecological and social impacts while unlocking new avenues for sustainable financial growth.



A circular inset image in the top left corner showing a large school of blue fish swimming in the ocean.

Partnering with Simmons & Simmons Lead the Way in Blue Economy Financing

At Simmons, we're committed to helping financial institutions create meaningful and profitable financing solutions that drive change in marine conservation. Our work with Blue Alliance demonstrates our **expertise in structuring innovative, sustainable finance products** tailored to impact-oriented projects within the blue economy.

By partnering with us, you can leverage our knowledge and experience to develop products that support blue economy projects while achieving environmental, social, and financial objectives. **Together, we can unlock new opportunities in the blue economy**, shaping the future of sustainable financing for marine conservation and global biodiversity goals.

Available Resources

Podcast Series

On 6 January 2024, we launched our podcast series in collaboration with UK NGO Marine Conservation Society on the Blue Economy. In this 18-episode series, we will bring together key ocean influencers to explore crucial issues surrounding our seas and their sustainable future.

[!\[\]\(e474458956c9a37fbf9586ddb60a7fa1_img.jpg\) *Seas of opportunity: navigating the Blue Economy*](#)

Webinar

We hosted a webinar dedicated to exploring the potential of the Blue Economy. The recording is available on-demand.

[!\[\]\(870f5d5e9c0d57485634be3ecf52f3ca_img.jpg\) *Global insights - Beneath the surface: Uncovering the potential of the Blue Economy*](#)

Article

Foundational to all life on Earth, the ocean is the next great investment frontier.

[!\[\]\(b792654f2cef9719eabeb6c5be00811e_img.jpg\) *Turning the tide on the Blue Economy*](#)



Elliot Beard
Partner
[Email](#)



Sonali Siriwardena
Global Head of ESG
[Email](#)



Erica Houlihan
Managing Associate
[Email](#)