



Declaration Blue Economy Investment Principles

The ocean is a biologically diverse and highly productive system. It is an immense source of materials, food, energy and ecosystem services. But, despite covering 70% of the Earth, it currently represents only 5% of the global economic activity.

According to OECD projections¹, the 'blue economy' – defined as all economic sectors which have a direct or indirect link to the ocean², could outperform the global economy as a whole both in terms of value added and employment by 2030. In the coming decade sectors like marine energy, biotechnology, tourism, transport and food production could offer unprecedented development and investment opportunities.

But the potential to develop a sustainable 'blue economy' is limited by various challenges related to the unsustainable uses of ocean resources, the lack of investment required to use the full employment and growth potential of innovative sustainable 'blue economy' sectors, and the still embryonic valuation of marine resources and ecosystems services provided by the ocean³.

The international community has recently reaffirmed its strong commitment to conserve and sustainably use the oceans, seas and marine resources⁴ and to reduce the impacts of land-based activities. The G7, the G20, other countries and markets acknowledge that scaling up finance and ensuring the sustainability of such investments are fundamental to achieve sustainability and climate goals⁵.

Investment capital, both public and private, plays a significant role in unlocking the economic potential of the ocean. But following a "business as usual" trajectory and neglecting the impacts on marine ecosystems entails great risk – for our planet, as well as for the viability of the investment itself. By contrast, if investment decisions incorporate sustainability elements and ensure that the outcomes are environmentally and socially sustainable, the ocean will be able to stay healthy and productive, and it will keep attracting financial flows and generating wealth.

Financial markets and institutions are therefore pivotal to driving the ocean sustainability agenda.

¹ The Ocean economy in 2030 © OECD 2016

² "The potential of the blue economy", World Bank Group, 2017

³ Beyond economic considerations, the ocean also provides for life essentials – producing oxygen, regulating climate, protecting against natural hazards and giving protein through seafood and many more. These assets are hard to quantify in monetary terms, but are assessed by WWF to equal €23 trillion.

⁴ See 'Our Ocean, Our future: Call for Action' United Nations Conference to support the implementation of Sustainable Development Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development, New York, 5-9 June 2017

⁵ G7 Bologna Environment Ministers' Meeting, Bologna, 11-12 June 2017 and G20 Leaders' Declaration 'Shaping an interconnected world', Hamburg, 08 July 2017,



This is why we, representatives of the financial services sector, commit to support the development of a sustainable 'blue economy', through our interaction with other economic agents and consumers and through our own financing and investment activities.

In this spirit, we commit to applying the following Blue Economy Investment Principles:

- 1. Protective:** We will support projects that look to restore, protect or maintain the diversity, productivity, resilience, core functions and value of marine ecosystems.
- 2. Compliant:** We will support projects that are compliant with international, regional and national legal frameworks which underpin sustainable development and ocean health.
- 3. Risk-aware:** We will support projects that have identified the social and environmental risks and impacts of their activities, and include management plans to mitigate identified risks.
- 4. Adaptive:** We will adapt our decision-making processes and activities to reflect new knowledge of the potential risks, impacts and opportunities associated with our business activities.
- 5. Systemic:** We will support projects that have identified the systemic and cumulative impacts of their activities including across their value chain, across different sectors, across borders, and between maritime and land-based activities.
- 6. Inclusive:** We will support projects that include, support and enhance local livelihoods, and engage with relevant stakeholders.
- 7. Holistic:** We will make investment decisions based on a long-term assessment and accounting of economic, social and environmental values, quantified risks and systemic impacts.
- 8. Cooperative:** We will cooperate with other financial institutions to promote and implement these principles, share knowledge, best practices, lessons learned, perspectives, and ideas.
- 9. Transparent:** We will disclose our investments and their social, environmental and economic impacts (positive and negative). We will also report on progress in implementing these principles, including on the percentage of our investments that follow these principles.
- 10. Purposeful:** We will endeavour to direct investment to projects that contribute directly to the achievement of Sustainable Development Goal 14 (Life Below Water) and other Sustainable Development Goals which contribute to the management of the ocean.
- 11. Impactful:** We will ensure that the projects we support provide social, environmental and economic benefits for current and future generations.
- 12. Precautionary:** We will support projects that have assessed the environmental and social impacts of their activities based on sound scientific evidence. Where scientific data is not available, the precautionary principle will prevail.



13. Proactive: We will actively seek to develop knowledge and data on the potential risks and impacts associated with our investments, as well as sustainable investment opportunities in the Blue Economy.

14. Diversified: Recognising the importance of Small to Medium Enterprises (SMEs) in the Blue Economy, we will endeavour to diversify our investment instruments to reach a wider range of sustainable development projects, for example in traditional and non-traditional maritime industries, and in small and large-scale projects.

15. Solution-driven: We will endeavour to direct investment to innovative commercial solutions to maritime issues (both land- and ocean-based) - including circular economy approaches - that have a positive impact on marine ecosystems and ocean-dependent livelihoods.

16. Partnering: We will partner with public, private and non-government sector entities to accelerate progress towards a sustainable Blue Economy, including in the establishment and implementation of Maritime Spatial Planning (MSP) approaches.

17. Sharing: We will endeavour to invest in, and share, scientific information and data on the marine environment.

We, representatives of the financial services sector, believe that delivering on these principles will contribute to the conservation and sustainable use of the ocean and to de-risking investments in the 'blue economy'.

These principles are complementary to existing principles and commitments on sustainable financing or existing corporate responsibilities by which their signatories may be bound. They do not aim to modify or replicate them.

These principles are voluntary; they do not create any rights or liabilities; and the sole responsibility for investment decisions remains with the institutions who are signing up to these investment principles.