



EIB SUPPORT TO A SUSTAINABLE BLUE ECONOMY



28 November 2023

EIB: STRONG SUPPORTER OF A SUSTAINABLE BLUE ECONOMY

EIB support to blue economy by sector 2018-2022

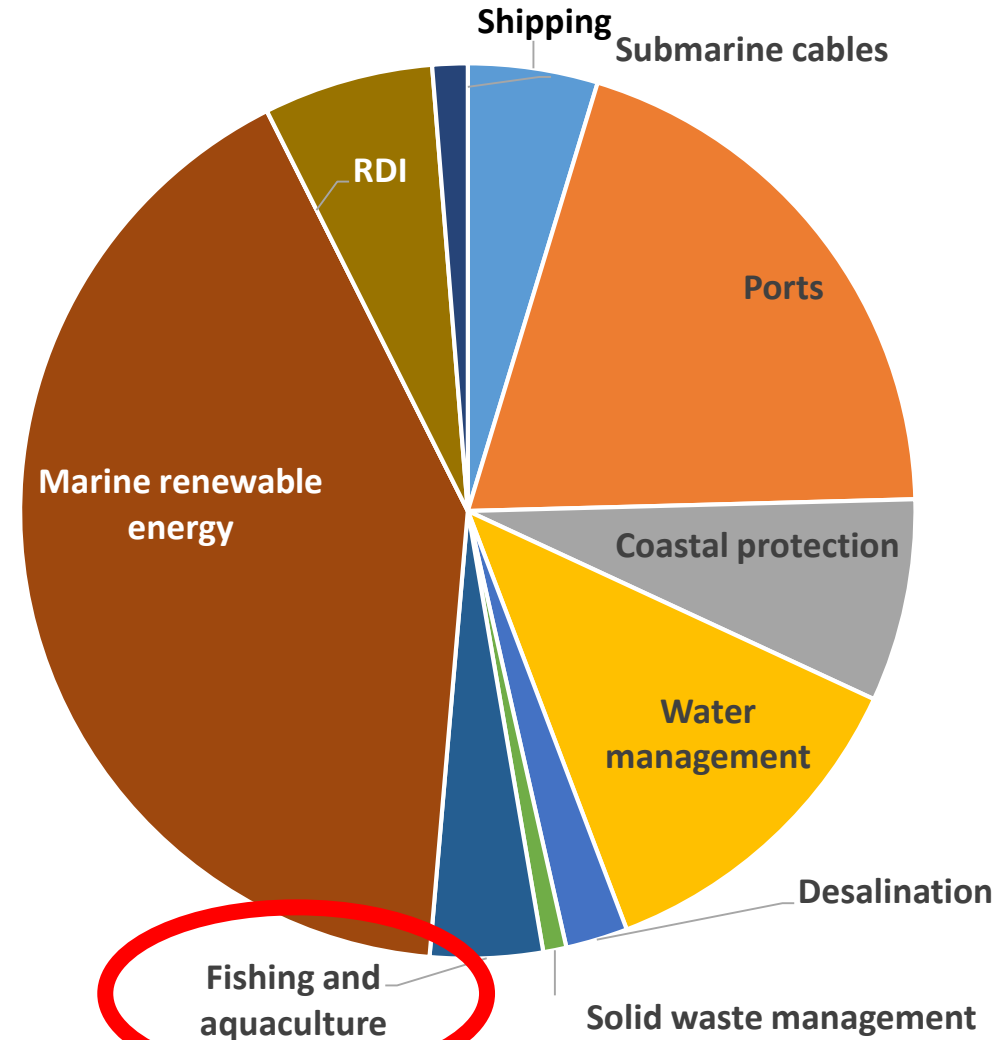
EIB signed amount (million EUR)

2018-2022

~€7 billion investment

€24 billion leveraged

85% contributing to climate and environmental goals



No EIB operations on energy transition for fisheries and aquaculture

Sustainability	<ul style="list-style-type: none">• Many investment : risk increasing levels of fishing• Sustainability-oriented projects may not provide sufficient benefits to engage fishers
Scale	<ul style="list-style-type: none">• There is limited potential for sufficiently large investments to meet EIB requirements (€15-20m+)• Naturally, fishers have a preference for any available grant funding and loans without conditions
Complexity	<ul style="list-style-type: none">• Energy transition and sustainability requires coordinated stakeholder action• Complex and time-consuming due diligence and transaction design, especially relative to final deal size
Intermediaries	<ul style="list-style-type: none">• There are limited intermediaries with sufficient expertise and capacity to deliver fisheries investments• Seasonality and variable income streams within the industry do not align well with the monthly payment structure of most loans
Counterparties	<ul style="list-style-type: none">• Many fisheries comprise large numbers of small companies or independent fishers, with many lacking structures suitable for taking on larger scale finance• Small-scale fishers are often profitable, but lack sufficient collateral for traditional finance and may not own the vessel and equipment they use• Economic, social, and environmental due diligence

... NO LACK OF INTEREST

- EIB ready to consider energy transition investments in fisheries and aquaculture (*meeting EIB economic, social and environmental criteria*)

Examples of areas that could be considered:

- Port infrastructures supporting low-carbon solutions for fishers (low carbon energy, logistics)
- Low-carbon solutions for fisheries or aquaculture production, provided these operations are certified sustainable or committed to be
- Low-carbon, energy efficient seafood processing solutions
- Holistic approaches (supply chain, stock rebuilding)



Ex: Vessel sustainability upgrades

Summary of Investment Opportunity

- Most fishing vessels use diesel fuel, which has negative environmental impacts through air pollution and carbon emissions.
- The EU CFP supports the transition to low emission energy sources (e.g. hydrogen, biofuel, solar, electric), but technological and financial barriers prevent broader/faster uptake.
- Investment could be provided to either ports to enable upgrades (e.g. electric vessel charging stations) and/or to engine/vessel manufacturers.

Indicative Structure

- Investee: Port authority or engine/vessel manufacturer
- Indicative investment amount: Variable depending on approach
- Possible grant support: ?

EU fishing port to install technology for low-emission vessels (e.g. charging stations, battery storage, solar generation, green-hydrogen facilities, etc.), with repayment through fees paid by vessel owners.

Engine/vessel manufacturer to enable investment in technology that reduces production costs for more environmentally beneficial models, improving uptake. Repayment would be through increases in sales revenues from increased uptake.

Advantages & Challenges

Advantages

- Highly capital intensive for ports or larger vessels
- Alignment with EC Energy Transition strategy
- Benefits to fishers in reducing costs

Challenges

- Sustainability & Gears
- Enough Clients? Incentives?
- National banks to finance clients?

ADVISORY SUPPORT

Technical assistance and financial advisory via fi-compass or other mandates

Providing capacity-building activities and financial advisory services to EMFAF Managing authorities in order to support set-up and implementation of EMFAF financial instruments

Access to a single knowledge hub

1

- ▶ A-Z information about EU Shared management financial instruments at www.fi-compass.eu

Capacity building training sessions for Managing authorities and relevant stakeholders in view of EMFAF Financial instruments, based on:

2

- ▶ Level of knowledge/experience
- ▶ Specific areas of interest

Learning opportunities

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- ▶ fi-compass market analysis and publications
- ▶ Content with focus on the FI regulatory and practical side



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INSTRUMENTS!

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