



Impact Investing for Conservation: The Meloy Fund



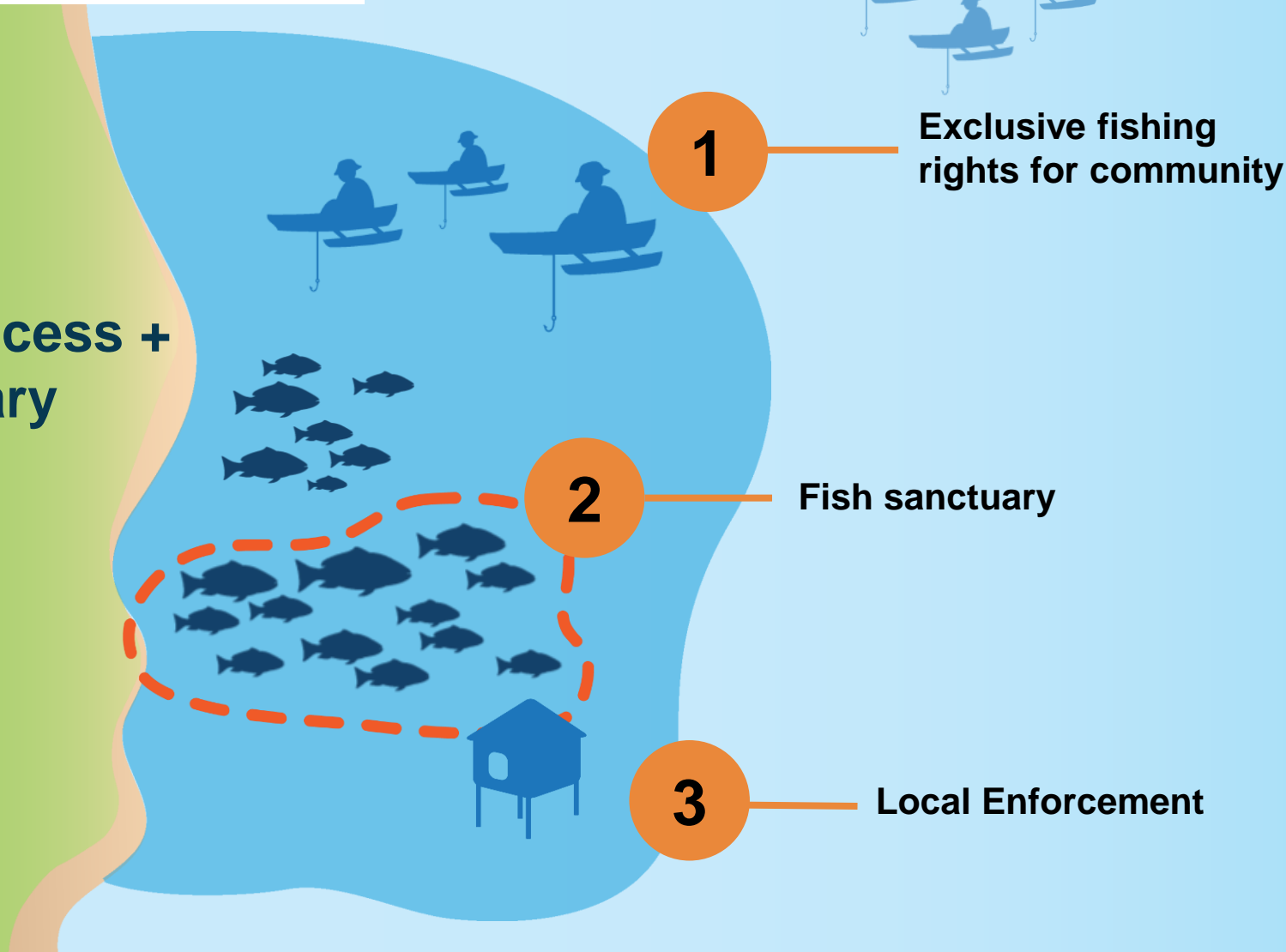
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Institution: Rare

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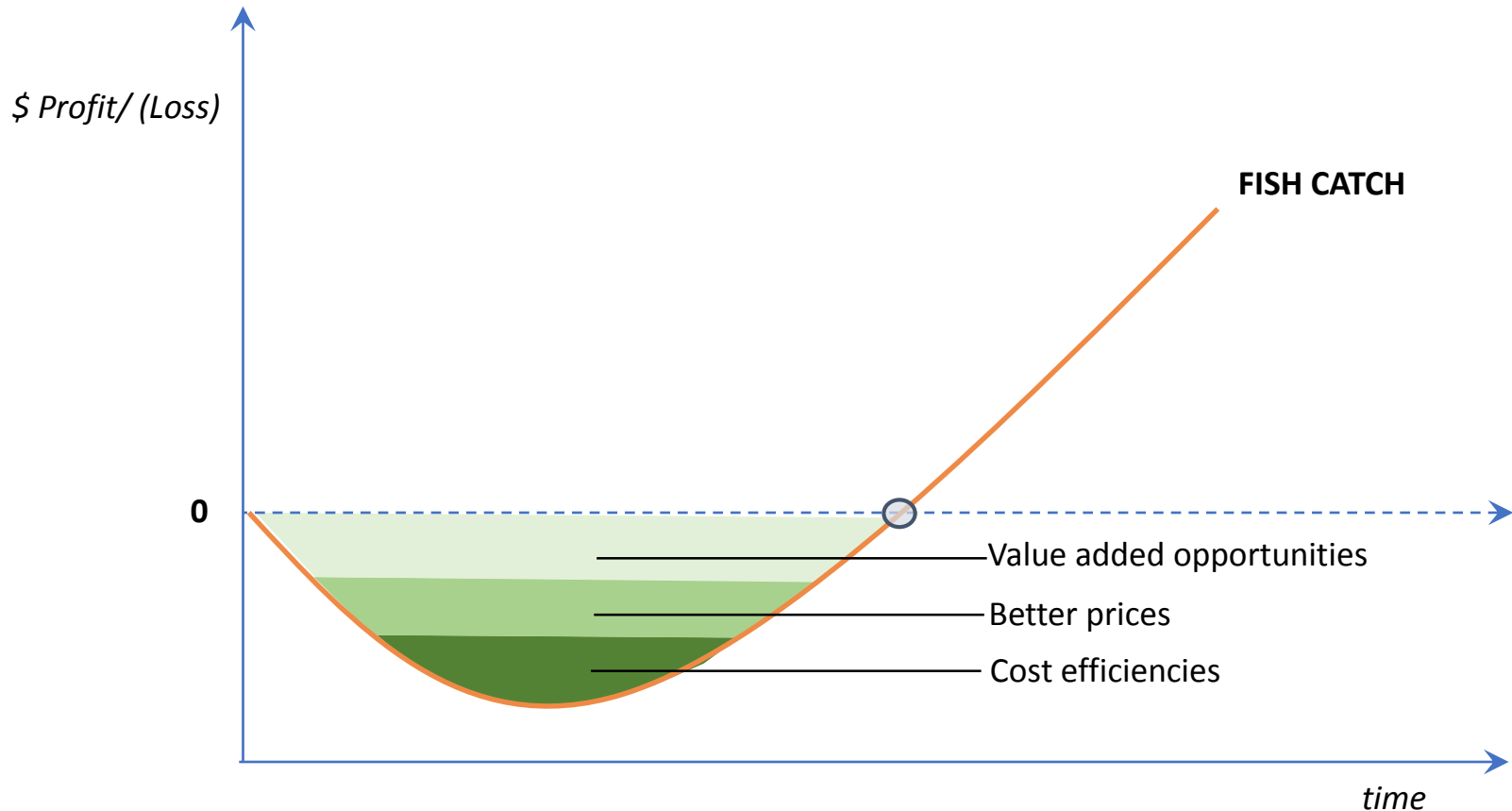




Managed Access + Sanctuary



J-CURVE CHALLENGE



- **A \$20M debt-equity fund focused on small-scale fisheries in Indonesia and the Philippines.**



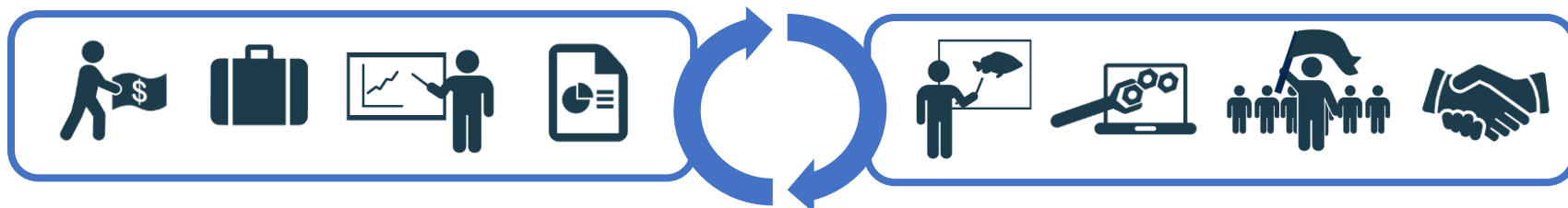
- **Uniquely ensures:**
 - investments are tied directly to sustainable fisheries management and key biodiversity habitat protection.
 - Community attitudes and behaviors are motivated by both an increase in conservation ethic and financial opportunity.
- **Triple-bottom-line impact (Financial, Environmental and Social returns).**
- **De-risks coastal fisheries as a viable market for later stage commercial investment.**
- **Public and Private Investors (Anchor Investor: GEF).**
- **Leverages Rare's on-location oversight, deep networks, and technical knowledge.**



UNIQUE APPROACH



FISHFOREVER



- Financial incentives for behavior change
- Financial resilience against future shocks
- Sustainability of impacts
- Proof of value to capital markets
- Demand generation for expansion of the Fish Forever strategy

- Local teams with deep networks and direct, on-location oversight
- Technical knowledge in sustainable fisheries management and recovery
- Community pride, awareness, and buy in
- Government relations and support
- Impact monitoring



THE MELOY FUND

STRUCTURE

- **Loan (70%-80%) and Equity (20%-30%)**
- **Financing the scaling up of the business, especially capital expenditures**
- **Investment size:** \$500K-\$2M
- **Investment term:** 5-7 years
- **Interest / Expected returns:** loans: 10% USD. Equity returns 15-20% USD.

INVESTEE CRITERIA

- **Mission fit**
- **Business competence:** Strong management, track record, solid relationships in supply chain
- **Financial results:** solid business model, proven demand, scaling potential
- **Social and environmental impact**
- **Impact potential:** directly engage at least 500 fishers and impact 30,000 hectares of seascape per investment



Two key investment themes:



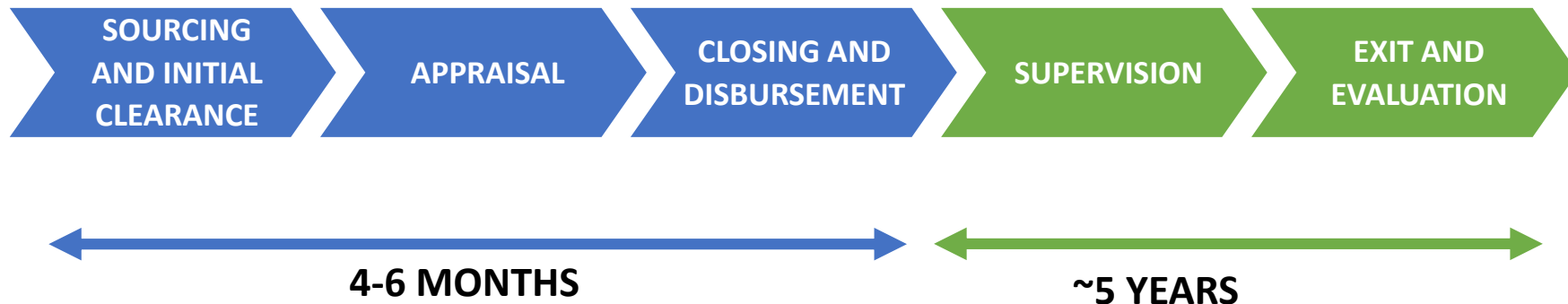
FISHING PRESSURE OFFSET:

Investing in fishing-related activities, including ocean-based aquaculture, that can be tied to explicit reductions in fishing pressure, allowing recoveries of stock to take place.

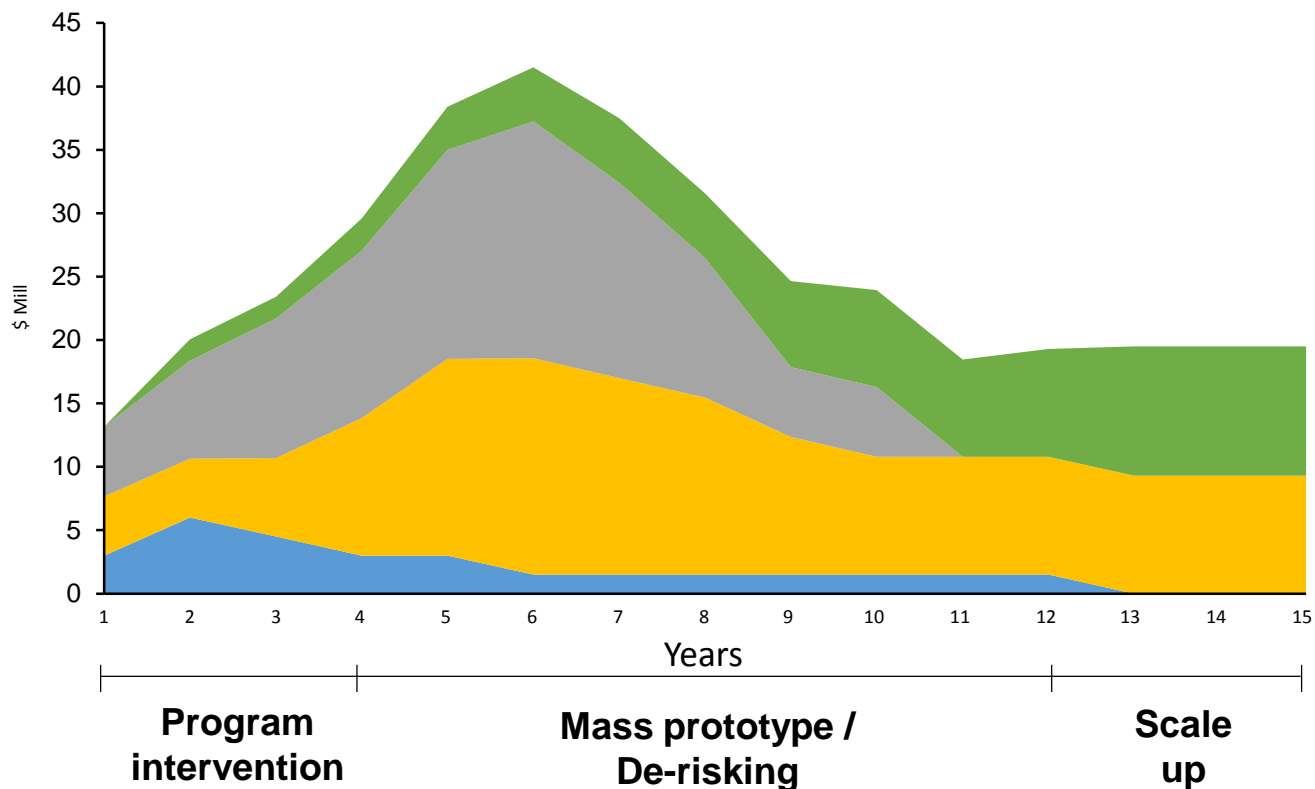
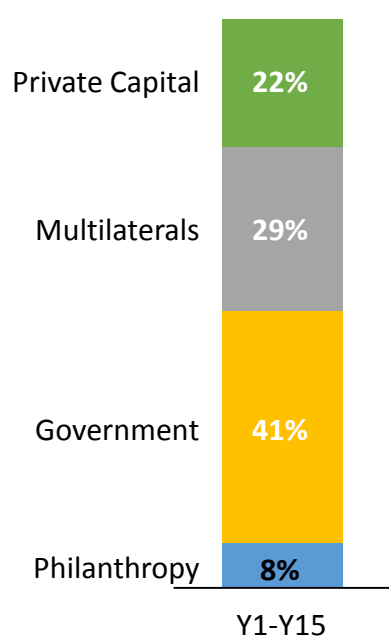


COMMUNITY MARGIN: Investing in supply chain and production efficiencies, waste-reduction, aggregation, and value-added processing that either reduce costs or improve revenues for local fishermen.

INVESTMENT PROCESS



A BLENDED FINANCE APPROACH



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-Global Impact Investing Network (GIIN)

-Aspen Network of Development
Entrepreneurs (ANDE)

-Coalition for Private Investment in
Conservation (CPIC)

