

# The Depth and Breadth of Impact Investing for Ocean Health

Webinar Key Takeaways

Recent years have seen a surge in private sector investment in space exploration. According to <u>Forbes</u>, nearly \$15 billion went toward space companies in 2021. The "Space Economy," as defined by the <u>OECD</u>, encompasses "the full range of activities and the use of resources that create value and benefits to human beings in the course of exploring, researching, understanding, managing, and utilizing space."

But what about a vast frontier closer to home? One that is still an enigma?

## The Depth and Breadth of Impact Investing for Ocean Health

The world's oceans remain almost wholly unexplored, despite our reliance on it as the "circulatory system" of the planet. Considering the worsening degradation of our oceans resulting from pollution, poor stewardship, and climate change, investing in the preservation of ocean ecosystems is both timely and critical. Moreover, the "<u>Ocean Economy</u>" holds potential for scientific and technological innovation with tremendous commercial potential.

In this recent webinar, aquanaut and environmental advocate <u>Fabien Cousteau</u> joined Pathstone's <u>Erika Karp</u> for a discussion on the ocean's ecological importance and its investment potential. Fabien, founder of the <u>Fabien Cousteau</u> <u>Ocean Learning Center</u> and <u>Proteus</u>, shared his knowledge on the nexus of the ocean and various industries. Succinctly stating that oceanic investments are an opportunity to refill the (natural) bank account, Fabien reminded us that, "we do not want to bankrupt the natural world, because there is no bailout loan there." Calling the ocean, "Pandora's Box for solutions," he elaborated on the importance of the circular economy and the role of private-sector corporations and investors.

Key takeaways from the discussion are highlighted below. Please also see the Resources listed at the bottom for links to other sources of information Fabien cited. To access the video replay, click <u>here</u>.

### Webinar Key Takeaways: Impact Investing for Ocean Health

- As with the private space industry, there has been a significant increase in oceanic investments. Yet unlike space exploration investments, investments in oceanic exploration stand at only \$1 billion, an amount that fails to truly delve into the full economic potential of what the United Nations calls the world's seventh biggest economy.
- Fabien indicated that mounting concerns over clean energy and renewables may be resolved through ocean thermal energy conversion (OTEC). According to him, the current energy needs of the world could be met nine times over without any significant environmental.
- The ocean has tremendous biodiversity; it is home to over 80% of the world's diverse plant and animal species. With this biodiversity comes promising opportunities for investment, particularly in the pharmaceutical industry. Today, there are 14 FDA-approved marine compounds with 30 more in clinical trials. These compounds have led to breakthrough developments in more targeted forms of chemotherapy and non-addictive pain mitigation.



#### Resources

- Klebnikov, Sergei. "Investors Poured Record \$14.5 Billion Into Space Companies Including Elon Musk's SpaceX In 2021." Forbes. Accessed April 5, 2022. <u>https://www.forbes.com/sites/sergeiklebnikov/2022/01/18/investors-poured-record-145-billion-into-space-companies-including-elon-musks-spacex-in-2021/.</u>
- Le, Henry M, David J Newman, Keith B Glaser, and Alejandro M Mayer. "The Marine Pharmacology and Pharmaceuticals Pipeline in 2020." *The FASEB Journal* 34, no. S1 (2020): 1–1. <u>https://doi.org/10.1096/fasebj.2020.34.s1.01808</u>.
- Malve, Harshad. "Exploring the Ocean for New Drug Developments: Marine Pharmacology." *Journal of Pharmacy & Bioallied Sciences* 8, no. 2 (2016): 83–91. <u>https://doi.org/10.4103/0975-7406.171700</u>.
- "Ocean Thermal Energy Conversion U.S. Energy Information Administration (EIA)." Accessed April 4, 2022. <u>https://www.eia.gov/energyexplained/hydropower/ocean-thermal-energy-conversion.php</u>.
- Climate Analytics Blog. "Ocean Thermal Energy Conversion What Is It and What Role Could It Play for Small Island States in the Caribbean?" Accessed April 4, 2022. <u>https://climateanalytics.org/blog/2021/ocean-thermal-energy-conversion-what-is-it-and-what-role-could-it-play-for-small-island-states-in-the-caribbean/</u>.

If you have any questions or would like to discuss impact investing for ocean health further, please contact us.

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