

CONCESSIONAL FINANCE

To support priority areas or activities, funders may offer financial assistance on more generous terms than what is otherwise available. One could say that the funder makes a concession by giving favourable terms. This is referred to as **concessional finance**. There are several types of concessional finance, including financial guarantees or loans with lower interest rates, longer repayment periods, or lower requirements for security than what is available on the market.

BLENDED FINANCE

Blended finance refers to a model where concessional finance, typically provided by public institutions, aims to leverage private capital by mitigating risks with public guarantees. It therefore combines public and private funding to catalyse additional investments, using instruments such as equity, debt, grants and guarantees.

Sustainable ocean businesses, which are often perceived as high-risk benefit most from blended finance because they achieve commercial viability and demonstrate successful investments and exits.

